By Mr. LEWIS of Ohio:

H. R. 10489. A bill to impose duties on importation of fuel oil and coal; to the Committee on Ways and Means.

By Mr. ROGERS of Oklahoma:

H. R. 10490. A bill for the relief of the Eastern and Western Cherokees; to the Committee on Indian Affairs.

H. R. 10491. A bill for the relief of the Eastern Cherokees; to the Committee on Indian Affairs.

By Mr. IZAC:

H. R. 10492. A bill limiting number of diplomatic or consular officers or attachés accredited to and maintained in the United States by any foreign power; to the Committee on Foreign Affairs.

By Mr. LEWIS of Ohio:

H. Res. 596. Resolution authorizing and directing the Committee on the Judiciary of the House of Representatives to inquire into the transfer of American naval vessels, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SUTPHIN introduced a bill (H. R. 10493) for the relief of the estate of William Sandlass, which was referred to the Committee on Claims.

PETITIONS, ETC.

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

9290. By Mr. GREGORY: Petition of Thomas Wright, noble grand, and Fred Heflin, secretary, Lodge No. 151, Independent Order of Odd Fellows, Mayfield, Ky., favoring material aid to the Allies, the withholding of our manpower, and the curbing of "fifth columnists"; to the Committee on Military Affairs.

9291. By the SPEAKER: Petition of F. A. Billhimer, of Los Angeles, Calif., petitioning consideration of resolution with reference to House bill 7534, the anti-poll-tax bill; to the Committee on the Judiciary.

SENATE

WEDNESDAY, SEPTEMBER 11, 1940

(Legislative day of Monday, August 5, 1940)

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

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O God, who art loving unto every man, who hast made us heirs of all the ages of Thy creative power: We thank Thee for Thy divine compassion which is manifest toward us despite our weaknesses, our cowardice, and our self-love. Do Thou make us ever mindful of the radiance and mystery of life, revealing not only Thy wisdom and beauty but also the hallowing influence of friends which, in the quiet corners of experience, illumes the common task. Bestow upon us all the true ideals of liberty, justice, and brotherhood which alone can guide the nations into the way of peace. In this our day of trial may we not shun the discipline of life but rejoice in the work which is its own reward and glory in the difficulties which provide the materials of victory, Thy victory in us. So lead us upward and onward and endow us with the courage of those gallant souls whose cheerfulness in the face of peril puts to shame our self-concern. Through the turmoil of life may we find Thy peace; for the challenge of life may we find Thy strength; and in the adventure of death may Thine everlasting arms be our hope and our eternal refuge. We ask it in the name of 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 the calendar day of Tuesday, September 10, 1940, was dispensed with, and the Journal was approved.

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 following bills and a joint resolution, in which it requested the concurrence of the Senate:

H. R. 9734. An act authorizing allocation of funds for the construction of Saco Divide unit, Milk River project, and for other purposes;

H. R. 10412. An act to expedite the provision of housing in connection with national defense, and for other purposes; and

H. J. Res. 596. Joint resolution to authorize Commander Howard L. Vickery to hold the office of a member of the United States Maritime Commission.

CALL OF THE ROLL

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

Adams	Davis	King	Reed
Andrews	Downey	La Follette	Reynolds
Ashurst	Ellender	Lee	Russell
Austin	George	Lodge	Schwartz
Bailey	Gerry	McCarran	Schwellenbach
Barkley	Gibson	McKellar	Sheppard
Bilbo	Gillette	McNary	Smathers
Brown	Green	Maloney	Stewart
Bulow	Guffey	Mead	Taft
Burke	Gurney	Miller	Thomas, Idaho
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Neely	Townsend
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	Nye	Wagner
Clark, Idaho	Hill	Overton	Walsh
Clark, Mo.	Hughes	Pepper	Wheeler
Connally	Johnson, Calif.	Pittman	White
Danaher	Johnson, Colo.	Radcliffe	Wiley

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from West Virginia [Mr. HOLT] are absent because of illness.

The Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Illinois [Mr. LUCAS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], the Senator from Illinois [Mr. SLATTERY], the Senator from South Carolina [Mr. SMITH], the Senator from Missouri [Mr. TRUMAN], the Senator from Maryland [Mr. TYDINGS], and the Senator from Indiana [Mr. VAN NUYS] are necessarily absent.

Mr. AUSTIN. The Senator from Oregon [Mr. HOLMAN] is absent on public business.

The Senator from North Dakota [Mr. FRAZIER], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Minnesota [Mr. SHIPSTEAD] are unavoidably absent.

The PRESIDENT pro tempore. Seventy-six Senators have answered to their names. A quorum is present.

ABUSES AND DEFICIENCIES IN ORGANIZATION AND OPERATION OF INVESTMENT TRUSTS AND COMPANIES

The PRESIDENT pro tempore laid before the Senate a letter from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, a supplemental report, being section I of chapter VI of part 3 of the Commission's over-all report on the study of investment trusts and investment companies dealing with abuses and deficiencies in the organization and operation of such trusts and companies, and also a list of those parts of the over-all and supplemental reports that have been transmitted already to Congress, which, with the accompanying papers, was referred to the Committee on Interstate Commerce.

PETITIONS

Mr. VANDENBERG presented a petition of sundry citizens of the Upper Peninsula of Michigan, praying that appropriate steps be taken to control recurring floodwaters in the valleys of the Sturgeon and Otter Rivers, Mich., which was referred to the Committee on Commerce.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

He also presented a petition of sundry citizens of Benton Harbor, Mich., praying that the United States may keep out of war and remonstrating against the enactment of compulsory military-training legislation, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. BURKE, from the Committee on Claims, to which was referred the bill (S. 3841) to allow an additional period of 6 months in which to file claims for increased compensation to certain Government employees for the period July 1, 1917, to June 30, 1924, reported it without amendment.

Mr. SMATHERS, from the Committee on Claims, to which was referred the bill (S. 3489) for the relief of the estate of Frank H. Lusse, deceased, reported it with amendments and submitted a report (No. 2111) thereon.

He also, from the same committee, to which was referred the bill (H. R. 6512) for the relief of F. W. Heaton, reported it without amendment and submitted a report (No. 2112) thereon.

Mr. MINTON, from the Committee on Pensions, to which was referred the bill (H. R. 7731) to provide for the burial and funeral expenses of deceased veterans of the Regular Establishment who were discharged for disability incurred in the service in line of duty, or in receipt of pension for service-connected disability, reported it without amendment and submitted a report (No. 2113) thereon.

BILLS INTRODUCED

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

By Mr. WALSH:

S. 4342. A bill to authorize the presentation of a Distinguished Service Cross to Barney F. Salner; to the Committee on Military Affairs.

By Mr. PEPPER:

S. 4343. A bill authorizing the appointment of certain civilians as commissioned officers of the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 9734. An act authorizing allocation of funds for the construction of Saco Divide unit, Milk River project, and for other purposes; to the Committee on Irrigation and Reclamation.

H. R. 10412. An act to expedite the provision of housing in connection with national defense, and for other purposes; to the Committee on Public Buildings and Grounds.

H. J. Res. 596. Joint resolution to authorize Commander Howard L. Vickery to hold the office of a member of the United States Maritime Commission; to the calendar.

JESSE H. JONES—INDEFINITE POSTPONEMENT OF JOINT RESOLUTION

Mr. BARKLEY. Mr. President, yesterday the Senate passed House Joint Resolution 602, authorizing the appointment of Mr. Jesse H. Jones to be Secretary of Commerce. There was on the calendar and is now on the calendar Senate Joint Resolution 294, Calendar No. 2195. I ask that the Senate joint resolution be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ALLEGIANCE TO AMERICA—ARTICLE BY SENATOR GILLETTE

[Mr. HERRING asked and obtained leave to have printed in the RECORD an editorial embodying an article written by the senior Senator from Iowa [Mr. GILLETTE] and published in the Geode Echo, a C. C. C. camp publication, New London, Iowa, which appears in the Appendix.]

ADDRESS BY SOLICITOR GENERAL BIDDLE AT SEATTLE CIVIC AUDITORIUM

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by Hon. Francis Biddle, Solicitor General of the United States, at Seattle Civic Auditorium, Seattle, Wash., on Saturday, August 24, 1940, which appear in the Appendix.]

ACQUISITION OF NAVAL AND AIR BASES—ADDRESS BY JAMES W. RYAN

[Mr. MINTON asked and obtained leave to have printed in the RECORD an address before the American Bar Association's section of international law, at Philadelphia, Pa., delivered by James W. Ryan, Esq., of New York, on the action of the President in taking measures to acquire naval and air bases, which appears in the Appendix.]

LABOR DAY ADDRESS BY JOHN L. LEWIS

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD a Labor Day address by John L. Lewis, president, Congress of Industrial Organizations, on Monday, September 2, 1940, which appears in the Appendix.]

COMMENT BY MR. VILLARD ON SPEECH OF SECRETARY WALLACE

[Mr. BURKE asked and obtained leave to have printed in the RECORD a newspaper article under the heading "Villard says Wallace speech is new low in United States politics," published in the Omaha (Nebr.) World-Herald of the 8th instant, which appears in the Appendix.]

EXPANSION OF LENDING AUTHORITY OF EXPORT-IMPORT BANK

The Senate resumed the consideration of the bill (S. 4204) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. MILLER. Mr. President, I desire to speak for a few minutes on the pending bill.

Since this Nation is irrevocably committed to the proposition of hemispheric defense, it appears to me that the implications of the bill may be very far-reaching. If the bill is enacted and administered as is evidently intended, we may or may not be taking a step which will have profound effect upon the economy of the Western Hemisphere.

I think we may proceed upon the assumption that political control and political domination follow as a matter of course economic control and economic domination. I think that is fundamental. If it is fundamental, then it seems to me we should do well to give serious consideration to what our future economic policy shall be so far as Western Hemisphere trade and commercial intercourse are concerned.

When we investigate what has been going on in the Western Hemisphere from an economic standpoint during the past few years, we find some rather startling facts as to the infiltration of certain European doctrines into South American countries. We cannot defend the Western Hemisphere from a military standpoint if we lose our economic grip. In other words, if the Latin American nations and peoples are dominated industrially and economically by powers which are not in accord with this Government and not in accord with our theory and way of life, we cannot hope to succeed in defending the Monroe Doctrine. For that reason I think this bill should be enacted.

Academically, I have no fault to find with those who say that the bill grants practically unlimited power in making loans to governments and to financial institutions. That is true; but, practically speaking, I find no fault with that power. We are dealing with an unknown quantity. Neither Congress nor any other legislative body can write into the law specifications to meet every contingency which may arise in the development or in the protection of our industrial and economic interests in the Western Hemisphere.

Mr. President, I find from an examination of the latest statistics furnished by the Department of Commerce that the imports of Brazil from Germany during the year 1939 were 19.4 percent of Brazil's total imports from the world. She paid to the German economic or industrial interests in 1939 $50,760,000. The imports of Brazil from this country considerably exceeded that amount; but during the past few years the imports from Germany have been steadily increasing. A disturbing feature from an economic standpoint is that the imports from Nazi Germany during 1939 exceeded by 50 percent the exports from the South American countries to Nazi Germany, conclusively showing that Germany

is acquiring a stranglehold upon the economic life of the South American republics.

I am not an economist; I certainly am not an industrialist; I do not profess to know the ins and outs of world trade or of commercial intercourse; but I am convinced that if this Nation sits idly by, and does not carry on and prosecute its campaign for the industrial or economic control of the South American republics, it is utterly useless for us to make any attempt to prevent those countries from being dominated by Germany.

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

Mr. MILLER. I yield.

Mr. TAFT. How can the Senator possibly support the statement that Germany has acquired, or was acquiring in 1939, an economic stranglehold on Brazil, when we were selling to Brazil 36 percent of all her imports, and Germany was selling to her something like 18 or 19 percent?

I cannot understand the Senator's argument that economic domination is acquired by selling a nation a large amount of exports.

Mr. MILLER. Let me call attention to a table. I know the Senator has before him the same table I have.

The imports of Brazil from Germany in 1939 were 19.4 percent of Brazil's total imports. The imports of Brazil from the United States in the same year were 33.3 percent of Brazil's total imports.

Mr. TAFT. My figures are 36 percent, but they are approximately the same.

Mr. MILLER. This table was furnished me this morning by Mr. Young, Director of the Bureau of Foreign and Domestic Commerce of the Department of Commerce.

The imports of Chile from Germany were 22.7 percent of Chile's total imports, against 31.1 percent in the case of the United States.

Dropping down in the table—I do not care to burden the RECORD—the imports of Ecuador from Germany were 18.1 percent of Ecuador's total imports, against 48.7 percent in the case of the United States.

The total imports of South American countries from the United States in 1939 were 40.1 percent of their total imports. The total imports of South American countries from Germany in 1939 were 12.9 percent of their total imports. Those are the figures; but let me call the attention of the Senate to the fact that if we have any territory left in the world and if we are going to have any territory left in which to expand commercially or upon which to live, commercially speaking, South America and Canada are the only customers we can have.

Now let me mention a peculiar thing. On the export side, the 20 South American republics exported to Germany in 1939 6 percent of their total exports, while they bought from Germany 12.9 percent of their total imports, the balance of trade flowing to Nazi Germany. They exported to the United States 34.3 percent of their total exports, while they imported from us 40.1 percent of their total imports—a considerable difference in the percentage of the balance of trade.

The PRESIDENT pro tempore. The Senator's time on the amendment has expired.

Mr. MILLER. I will take time on the bill, Mr. President. I ask unanimous consent to have printed in the RECORD at this point the two tables to which I have referred.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Imports of 20 Latin American republics, totals from the United States, Germany, the United Kingdom, Japan, France, and Italy, 1939

[Values in thousands of United States dollars]

Country	Total United States dollars	From United States		From Germany		From United Kingdom		From Japan		From France		From Italy	
		United States dollars	Percent of total	United States dollars	Percent ot total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total
Argentina [1]	337,679	58,096	17.2	31,075	9.2	67,216	19.9	2,702	0.7	18,915	5.6	9,120	2.7
Bolivia [2]	24,237	6,063	25.0	2,687	11.1	1,419	5.9	1,059	4.4	329	1.4	256	1.1
Brazil	261,012	87,016	33.3	50,760	19.4	24,230	9.3	3,956	1.5	7,186	2.8	4,791	1.8
Chile	84,673	26,366	31.1	19,243	22.7	6,985	8.3	3,172	3.8	1,924	2.3	3,282	3.8
Colombia	104,536	58,170	55.6	13,361	12.8	10,977	10.5	182	.2	3,082	2.9	2,264	2.2
Costa Rica	16,885	9,925	58.8	2,982	17.7	667	4.0	857	5.1	220	1.3	282	1.7
Cuba [3]	105,862	78,381	74.0	3,391	3.2	3,065	2.9	379	.4	2,273	2.1	987	.9
Dominican Republic [4]	11,514	6,684	51.9	992	10.0	508	5.0	1,140	12.1	353	3.9	176	1.7
Ecuador	10,190	4,959	48.7	1,845	18.1	558	5.5	538	5.2	506	5.0	315	3.0
Guatemala	15,296	8,332	54.5	4,129	27.0	595	3.9	36	.2	213	1.4	266	1.7
Haiti [5]	8,181	5,093	62.3	462	5.7	910	11.1	195	2.4	419	5.1	75	.9
Honduras [6]	9,704	6,333	65.3	1,103	11.4	295	3.0	584	6.0	97	1.0	43	.4
Mexico [2]	121,592	77,389	63.6	15,629	12.9	3,523	2.9	1,522	1.3	5,135	4.2	2,593	2.1
Nicaragua	6,365	4,352	68.4	777	12.2	330	5.2	55	.9	165	2.6	33	.5
Panama	20,464	11,917	58.2	1,620	7.9	971	4.7	2,007	9.8	492	2.4	[2] 145	.7
Paraguay	6,625	643	9.7	775	11.7	512	7.7	856	12.9	118	1.8	176	2.7
Peru	48,344	19,857	41.1	7,112	14.7	4,066	8.4	1,515	3.1	1,714	3.5	987	2.0
Salvador, El [4]	8,500	5,000	58.8	1,445	17.0	680	8.0	----------	----------	275	3.2	[2] 400	4.7
Uruguay	32,687	1,716	5.2	5,347	16.4	5,991	18.3	876	2.7	786	2.4	2,105	6.4
Venezuela [2]	101,900	60,000	58.9	7,900	7.8	6,800	6.7	1,700	1.7	2,600	2.6	2,600	2.6
Total, 20 republics	1,336,246	536,292	40.1	172,635	12.9	140,298	10.5	23,331	1.7	46,802	3.5	30,896	2.3

[1] Argentine imports in "Tariff values."
[2] Estimated.
[3] Cuban peso taken as equivalent to United States dollar.
[4] Estimate based on 11 months' figures.
[5] Fiscal year ending Sept. 30.
[6] Fiscal year ending June 30.

Exports of 20 Latin American republics, totals to the United States, Germany, the United Kingdom, Japan, France, and Italy, 1939

[Values in thousands of United States dollars]

Country	Total United States dollars	To the United States		To Germany		To United Kingdom		To Japan		To France		To Italy	
		United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total
Argentina [1]	424,726	40,195	11.9	19,252	5.7	111,126	32.9	2,364	0.7	15,875	4.7	7,093	2·1
Bolivia	43,003	3,935	9.2	218	.5	27,859	64.8	516	1.2	9	.02	1	----------
Brazil	305,395	110,248	36.1	36,883	12.1	29,359	9.6	16,621	5.4	19,273	6.3	7,235	2.4
Chile [1]	138,368	42,207	30.5	11,636	8.4	17,003	12.2	2,449	1.8	6,527	4.7	5,166	3.7
Colombia	100,885	68,602	68.0	7,401	7.3	1,407	1.4	36	.03	3,156	3.1	1,328	1.3
Costa Rica	9,086	4,143	45.6	2,279	25.1	1,540	16.9	51	.6	80	.9	71	.8

Exports of 20 Latin American republics, totals to the United States, Germany, the United Kingdom, Japan, France, and Italy, 1939—Con.

Country	Total United States dollars	To the United States		To Germany		To United Kingdom		To Japan		To France		To Italy	
		United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total	United States dollars	Percent of total
Cuba [2]	147,676	111,190	75.3	1,471	1.0	17,983	12.2	122	.1	1,753	1.2	390	.3
Dominican Republic	18,643	5,051	27.1	387	2.1	5,876	31.5	73	.4	2,219	11.9	6	
Ecuador	11,360	5,579	49.1	777	6.8	424	3.7	440	3.9	744	6.5	248	2.2
Guatemala	16,985	12,003	70.7	1,948	11.5	[4] 50	.3	[4] 25	.1	[4] 100	.6	[4] 100	.6
Haiti [3]	7,268	2,502	34.4	228	3.1	1,372	18.9	5	.07	1,523	21.0	30	.4
Honduras [5]	9,867	8,949	90.7	191	1.9	180	1.8	22	.2	(7)		9	.1
Mexico [6]	176,523	131,046	74.2	9,700	5.5	1,314	.7	1,465	.8	2,923	1.7	2,210	1.3
Nicaragua	8,301	6,432	77.5	906	10.9	104	1.3	40	.5	169	2.0	5	.0
Panama	3,487	2,991	85.8	140	4.0	45	1.3			[4] 10	.3	[4] 5	.1
Paraguay	8,321	1,223	14.7	412	5.0	649	7.9	2	.02	146	1.8	30	.4
Peru	72,089	21,898	30.4	4,311	6.0	14,140	19.6	1,723	2.4	4,029	5.6	478	.7
Salvador, El [3]	12,000	8,000	66.7	1,000	8.3	120	1.0			[4] 150	1.3	[4] 200	1.7
Uruguay	50,683	7,027	13.8	6,150	12.1	9,365	18.5	917	1.8	1,930	3.8	3,044	6.0
Venezuela [7]	300,737	47,500	15.8	7,500	2.5	15,700	5.2	44	.01	3,500	1.2	2,200	.7
Total, 20 republics	1,865,403	640,721	34.3	112,790	6.0	238,613	12.8	26,915	1.4	64,116	3.4	29,840	1.6

[1] Values of exports to individual countries subject to revision upward when "to order" shipments are finally distributed.
[2] Cuban peso taken as equivalent to United States dollar.
[3] Fiscal year ending Sept. 30.
[4] Estimated.
[5] Fiscal year ending June 30.
[6] Partly estimated.
[7] Less than 500.

Mr. MILLER. I do not know whether this is or is not the answer to the problem; but I am firmly convinced—and this is why I think the bill ought to be enacted—that this Government must do something to bring about a closer commercial relationship with South America than has heretofore existed.

Where will we send our exportable commodities after the conclusion of the European war? Where will we find a customer after the war? Will it be among the countries which are overrun by Nazi Germany? If so, upon what terms will we trade? Will it be exclusively under a barter system, or will it be under some other system, dominated and dictated by Nazi Germany? That is the question which concerns me as a Senator. It is a question which I think the Congress must meet now.

I do not know who conceived the idea embodied in the measure before us, whether it grew out of the conference in Habana, whether it emanated from the brain of our Secretary of State, Mr. Hull, or whence it came; but I am not unmindful of the fact that there is a limitation on the credit of a government as on the credit of an individual. However, the war will end sometime, and when it ends there will be a chaotic condition which will make the depression through which we passed after the last war look like a chamber of commerce celebration unless we take every step we can take to prepare for it. If someone else has an idea, if anyone else has some other plan whereby we can make a better approach to the problem and whereby we can weld a better relationship, then he should bring it forth. Frankly, I am not wedded to the proposition suggested, but I am concerned with the general question and with its outcome.

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

Mr. MILLER. I yield.

Mr. TAFT. I merely desire to point out that the bill as I propose to amend it would retain the power of the Export-Import Bank to finance exports to South America, would retain the power to finance the development of strategic materials in South America, and would eliminate only the idea of lending on agricultural surpluses and promoting the general economic welfare of South American countries, which to my mind in no way would increase the exports of the United States to South America.

Mr. MILLER. I am familiar with the Senator's amendment. Ordinarily I would find no fault, let me say to him, with his amendment; but as I stated a while ago, not necessarily has Congress committed us, but our traditional national policy has committed this Government irrevocably to hemispheric defense. We cannot further that program if turmoil and strife, if civil warfare, insurrection, famine, and pestilence are rampant in the other countries of this hemisphere, because those are the conditions which produce revolutions.

I know it may be argued that we go far afield when we undertake to become the guardians of the South American republics. I do not argue that we should become their guardians. But we have heard a great deal about the "good neighbor" policy and a great deal about extending to neighboring countries a helping hand under trade treaties. If conditions should develop in South America which would make it imperative that their surplus products be held off the market in aid of orderly marketing, as an indirect aid to this Nation and to its agricultural producers, then I think we should have some agency with authority to handle that problem.

Mr. President, I realize that I have touched only the broader aspects of the bill, but I have given the Senate my views, and I think anyone who is aware of my inherent feelings about these questions knows that I have always been more or less committed to the doctrine of attending to our own business and letting other people alone. But we cannot long proceed on that theory, not because we would not desire to do so, but because of conditions and circumstances over which we have no control. If we wish to sit idly by and let the war end without having any machinery or implements with which to combat the commercial invasion of South American countries by Nazi Germany and Italy and their allies, we have that right; but I am willing to give to the Export-Import Bank the implements and the means provided by the proposed legislation to enable us to make an effort to stabilize conditions in the Western Hemisphere and make it easier for us as a people to maintain the Western Hemisphere way of life.

Mr. VANDENBERG. Mr. President, the able Senator from Arkansas [Mr. MILLER] has presented a question which emphatically deserves answer. Preparedness against the post-war economic combat is as essential as preparedness in a military sense against the immediate jeopardy. But if the able Senator from Arkansas thinks that he can lean upon the instrumentality now proposed to defend the economic life of the United States in the utterly terrific challenge which we shall confront economically in the post-war era, then I am afraid he is depending upon a broken reed.

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

Mr. VANDENBERG. Very briefly. I should like to have my time.

Mr. MILLER. I merely wish to say that I appreciate the Senator's remarks, but I am not relying upon the proposed solution entirely. There are other problems which will tax the ingenuity and the intelligence of every man in the United States.

Mr. VANDENBERG. Oh, yes; and let me tell the Senator, from my humble point of view, some of the things which we should do in line with his hypothesis which we are totally ignoring and neglecting.

We certainly can never build a pan-American economic union, or provide for the adequate promotion of our own exports in this connection, through a mere lending bill. Lack of credit is one of the very minor obstacles now confronting the flow of pan-American trade. It will be one of the very minor obstacles involved in the post-war debacle to which the Senator referred.

Mr. Jesse Jones, who is our best authority on the subject, summarized, at page 92 of the hearings before the House committee on the pending bill, the things which are bothering the development of a satisfactory pan-American flow of trade. What are they? I quote Mr. Jones:

> Numerous import restrictions and exchange regulations have been imposed in most of the other American republics since 1930 and these have been accentuated in certain countries during the last 6 months in order to protect their economies in the face of serious curtailment of European markets as a result of the war. The several Latin American countries have utilized most, if not all, of the various types of trade controls now employed by nations which include, in addition to customs duties, exchange and quota controls, bilateral agreements, official valuations, export taxes, and export subsidies. All of these controls are not employed by each of the countries and some of the controls are enforced more rigidly and are more inclusive in certain countries than in others.

Mr. President, that is the type of complexity which is confronting us, and we in turn confront this multiplied challenge with a continuing fidelity first and with chief reliance on reciprocal-trade treaties based upon the unconditional most-favored-nation principle of international treatment, when of course there cannot be any unconditional most-favored-nation treatment on our part when our objective, as it should be, is to treat one part of the world in a different manner from that in which we treat the other parts. Yet, on the one hand, under the reciprocal program we are relying upon the untenable principle of unconditional most-favored-nation treatment at a time when we announce that our objective is the exact contrary—and it should be—and now it is proposed that we supplement it solely with a lending bill.

Mr. President, the most elementary prudence, as we confront the situation presented by the able Senator from Arkansas, would dictate the creation of a foreign-trade authority in this country, armed with all the powers necessary to deal with all the various phases of the problem which we confront, not only the complexities asserted by Mr. Jones in his testimony I have read, but in whatever other way the problem may develop.

At the present time our foreign-trade problem is dealt with in the State Department in one aspect, and in the Department of Commerce in another aspect. I think there are approximately 30 different bureaus of the Government dealing with our foreign-trade problems. At no point is there a concentrated responsibility for determining what instrumentality we should use in a given situation, what weapons we should forge economically to meet the threat to which the Senator refers. No one is charged with that responsibility, and, in my humble judgment, it is perfectly absurd to talk about meeting that enormous challenge by a mere bill to permit the Export-Import Bank to lend another $500,000,000 in pan-America. Until we create a Federal trade authority large enough and strong enough to meet every phase of the international challenge which we shall confront in the post-war economic conflict, we shall be as weakly prepared upon that front as we, unfortunately, found ourselves to be on the military front.

Lest the Senator from Arkansas think I am merely preaching without practicing, I refer him to the bill which I introduced in the Senate several months ago to create a Federal trade authority, which in turn can meet the problem which he presents to the Senate—a problem which can never be met in this world by any such inadequate contemplation as we are now asked to accept in the name of a complete answer to the jeopardy.

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

Mr. VANDENBERG. I yield.

Mr. MILLER. I wish to congratulate the Senator upon the work he is doing. I, for one, agree most heartily that we ought to have an agency to coordinate these problems, and to meet them.

Mr. VANDENBERG. Mr. President, it is necessary to have an agency not only to coordinate—and we certainly need that—but we must have an agency which can meet barter with barter, if that is the only way it can be done; to meet exchange with exchange, if that is the only way it can be done; to meet quotas with quotas, if that is the only way to do it. The mere creation of easy money for our good neighbors is no answer at all so far as the fundamental economic challenge is concerned.

Mr. President, so much for the present. So much for my feeling that the bill does not mount to the magnitude of importance which is assigned to it. The problem itself mounts to that magnitude—I concede that freely—and I join the Senator from Arkansas in saying that we must find a way realistically to meet it. The magnitude of the problem exists, but this answer is a very weak and relatively puny one. Nevertheless I should like to see this particular effort made, if it can be made with reasonable safety. But I would not want to see it made on the theory that we have answered the problem and that we can then forget it, because we will not have even started to commence to begin to get ready to meet the problem after the bill shall have been passed.

I should like to ask the Senator from Ohio [Mr. TAFT] the same question I asked him before the Senate recessed last night. I wish to be sure if his amendment is put into the bill that there still remains all the orginal powers of the Export-Import Bank to deal in credits to the extent of an additional $500,000,000 pursuant to the practices which the bank has heretofore followed.

Mr. TAFT. I may say that the amendment does not deal with that question. There is a question under the original bill whether or not the $500,000,000 can be used for the original purposes of the Export-Import Bank, and I have suggested an amendment to the Senator from New York [Mr. WAGNER] to make it perfectly clear that that $500,000,000 can be used for financing American exports. I so intended, but I think there is perhaps a slight question about it under the present language of the bill.

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

Mr. VANDENBERG. I yield.

Mr. WAGNER. I personally do not think there is any question but that the bill as it is now drawn increases the lending power of the Export-Import Bank from $200,000,000 to $700,000,000; that not more than $500,000,000 may be used for the additional authority given to the Export-Import Bank in this bill; and that all funds not so used may be devoted to the other functions of the bank in aiding American exports, under authority previously given.

Mr. VANDENBERG. Very well.

Mr. TAFT. I may say that if the Senator from New York is unwilling to amend the bill itself, I shall amend my amendment to meet the objection of the Senator from Michigan.

Mr. VANDENBERG. I thank the Senator from Ohio. Then we will make certain that we are confronting this problem. We can adopt the amendment submitted by the Senator from Ohio, and we can then pass the bill as thus amended, and will then have done the following things: We will still be making available $500,000,000 more for the development of pan-American economic unity, and for the adequate promotion of our own exports in this connection. We shall make one-half billion dollars available for the development of these contacts which are deemed so essential through the tried and proven methods of the Export-Import Bank which have thoroughly justified themselves up to date. In addition, the $500,000,000 will be available for use in the development of resources in pan-America which are defined by the President as—

> Strategic and critical materials or of resources and materials which are not produced in the United States in appreciable quantities and which are required for use in the United States.

In other words, after the amendment of the Senator from Ohio shall have been adopted, we still will have a completely comprehensive plan of pan-American aid through the Ex-

port-Import Bank. The only thing that then substantially will be lacking, Mr. President—and it is the only way that I know of that we can inject this limitation into this adventure—is that it will not be possible under the bill, as amended by the Senator from Ohio, to create an international cartel to handle all exportable surpluses of all the agricultural commodities of all the 21 republics in the western world. That was the original purpose behind the pending bill. The increased loaning power for the Export-Import Bank was born in connection with a scheme for the creation of an international cartel to control the exportable surplus in agriculture all throughout this New World, at the expense of the Treasury of the United States. Now we are told that plan has been abandoned.

Of course, it would have to be abandoned if there were any remote consultation with common sense. It would have to be abandoned if there were any consultation with our own experience, because, heaven knows, we have not yet discovered how to get out from under the fiscal responsibility involved in subsidizing our own exportable surpluses in agricultural commodities, and if under the terms of the bill we are to multiply the existing hazard to the extent of the problem as it rises in 21 other republics in the New World, and charge the account to the Treasury of the United States, the contemplation is simply fantastic. Yet that was the original contemplation.

Now we are told, I repeat, that nothing of the sort is intended. But, Mr. President, the whole original scheme can proceed without changing the dot on an "i" or the cross on a "t" so far as the language in the bill is concerned.

My sole purpose and hope is that, through the adoption of the amendment submitted by the able Senator from Ohio, we can release $500,000,000 of additional credit for the laudable purposes and objectives to which the bill is addressed, and yet be sure that we have saved ourselves from the utter monstrosity of an international cartel to control agricultural surpluses throughout the western world at the expense of the Treasury of the United States.

Therefore, Mr. President, I am supporting the Taft amendment, and I hope that the bill, as thus amended, may be adopted.

Mr. WILEY obtained the floor.

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

Mr. BARKLEY. Mr. President, will the Senator from Wisconsin yield so I may suggest the absence of a quorum?

Mr. WILEY. I yield for that purpose.

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

Adams	Davis	King	Reed
Andrews	Downey	La Follette	Reynolds
Ashurst	Ellender	Lee	Russell
Austin	George	Lodge	Schwartz
Bailey	Gerry	McCarran	Schwellenbach
Barkley	Gibson	McKellar	Sheppard
Bilbo	Gillette	McNary	Smathers
Brown	Green	Maloney	Stewart
Bulow	Guffey	Mead	Taft
Burke	Gurney	Miller	Thomas, Idaho
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Neely	Townsend
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	Nye	Wagner
Clark, Idaho	Hill	Overton	Walsh
Clark, Mo.	Hughes	Pepper	Wheeler
Connally	Johnson, Calif.	Pittman	White
Danaher	Johnson, Colo.	Radcliffe	Wiley

The PRESIDENT pro tempore. Seventy-six Senators have answered to their names. A quorum is present.

STATEMENT BY SENATOR ASHURST

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

Mr. WILEY. I yield.

Mr. ASHURST. I have just sent—not at public expense, but charged to my personal account—the following telegram:

Judge ERNEST W. MCFARLAND,
Phoenix, Ariz.:

Heartiest congratulations upon your victory. You will make splendid Senator, and when Congress adjourns I shall come home to campaign joyously for you and the entire State ticket. I wish for you health, happiness, and political success.

SENATOR ASHURST.

About 7 o'clock this morning the telephone rang, and when I answered, a venerable lady who lived in Arizona more than 56 years ago spoke and said "Senator, I am distressed to see in the newspaper that you are defeated. What are you going to do for a living now?" [Laughter.] I said, "I may rest a year, and then practice law." She said, "Oh, are you a lawyer?" [Laughter.]

Coming to the Capitol in a taxicab, the young man who was driving said, "Senator, what are you going to do for a living now?" I said, "I think I shall sell apples." [Laughter.] He said, "What do you mean by that?" I replied, "Well, for almost 30 years I have successfully distributed applesauce in the Capitol. I ought now to be able to sell a few apples." [Laughter.]

I am sure some of my colleagues expect me to describe the sensation of defeat. The first half hour you believe that the earth has slipped from beneath your feet, that the stars above your head have paled and faded, and you wonder what the Senate will do without you, and you wonder how the country will get along without you. But within another half hour there comes a peace and a joy that would be envied by the world's greatest philosopher.

So much by way of camaraderie; and now, no longer speaking jocosely, I do not intend to trespass upon the time of the Senator from Wisconsin, or to take the time of the Senate or of the country to describe the means and the manner by which a child of the desert ascended the steep but glamorous acclivity to the Alps of fame. I am sure that my descent of the declivity will be as graceful and pleasant as was the ascent of the acclivity.

I say here in this presence that my ascent in politics and success in life were due to two great women. One was my mother, and the other my wife. Without their help and support I probably would have been nothing more than a cipher, with the rim removed.

How far my opposition to the peacetime draft influenced the electorate in my State I do not know; and, without being flippant, or defiant, I do not care. No man is fit to be a Senator and no man should presume to serve here unless he is willing at any time to surrender his political life for a great principle, for a vital thing in American liberty and stability.

We frequently hear the Senate criticized. Quite recently it was deplored that there had been a heated debate on the floor of the Senate. Mr. President, I welcome the heat of debate between Senators. It is a sign of freedom. There is no life in the still and dead waters. It was a singular and happy circumstance that about the same time the so-called heated debate occurred on the floor of our Senate a still more torrid debate was taking place in the British House of Commons, in which the Prime Minister, Winston Churchill, took part. Rolands were given for Olivers; there was thrust and there was riposte. Those are signs of a free people. Senators need not be disturbed by heated debates in the Senate or House. They are signs, signal smokes, evidences of a free parliament and a free people.

Moreover, Senators, you should not be disturbed by criticism of Congress. When the press or citizens generally criticize Congress, it is the sign of a free people. As I said once before, if one were a stranger to this planet, but understood somewhat human affairs, and he had made an excursion here to discover quickly and accurately what governments were free and what were despotic and autocratic, he would not look to the Treasury to ascertain what governments were free; he would not even look to the army or the navy. He would look to the parliament, the lawmaking body. If its members spoke freely, and said what they believed, and if the citizens who elected the parliament were free at all times to criticize the parliament or the congress, these would be the signs, the symbols, and the proofs of a free people.

We hear it said that the Senate is not so great now as it was in bygone days. Mr. President, after many years in the Senate I am prepared to testify that today the Senate is as great as it was in what we think of as the majestic past.

Webster, whose voice boomed like a golden bell hung in the canopy of the skies, could not be elected by any constituency today. I doubt very much if Henry Clay could be elected by any constituency today. Not even the great logician John C. Calhoun could be elected. Thomas H. Benton could not be elected today. The most imperious, and one of the ablest of all men who ever served in the Senate, Roscoe Conkling, who was elected Senator three times from New York, could not carry New York today. By a like token, not one of us could have been elected to the Senate in their day. Persons change, manners and philosophies change, although American principles remain the same.

Mr. President, I shall not waste any time on such miserable twaddle as to say that I ought to have been elected. A man only moderately versed in statesmanship, and with only a small degree of sportsmanship, is bound to admit that in a free republic, in a government such as ours, it is the undoubted right of the people to change their servants, and to remove one and displace him with another at any time they choose, for a good reason, for a bad reason, or for no reason at all. If we are to remain a free people, it is the duty of public servants not grumpily and sourly to accept the verdict of the majority, but joyously to accept that verdict; and I joyously accept the verdict of my party. But it would be hypocrisy and pretense for me to say that I do not regret leaving the Senate. Senators, I deeply regret that I shall not be here with you when you convene in January.

During these 29 years I have served with many different men. I had heated debates with some of them. Elihu Root, of New York, and I did not agree in our philosophies. I had heated debates with him, but to his dying day we were close friends. Senator Bailey, of Texas, was one of the most eloquent of all the orators ever in the Senate. We had heated debates, but to his dying day I cherished a fond affection for Senator Bailey, of Texas. The most heated debate I ever had in the Senate was with Bristow, of Kansas, but there was never a better Senator than Joseph L. Bristow, of Kansas.

Mr. President, this is not exactly a swan song, as I may take part in the discussion on the tax bill at the appropriate time, or on other questions which may come before the Senate before its adjournment, but I deem it not inappropriate to make these remarks.

To say that I am grateful to the people of Arizona for keeping me here in the Senate so long is but a feeble expression of my sense of gratitude. I am not only grateful to the people of Arizona for keeping me here so long, but I am grateful for that which they additionally did for me. I doubt very much if it was ever done for any other Senator. During my entire service they allowed me to do as I pleased and to say what I pleased. I should rather serve 1 week doing as I please than to serve 30 years doing what somebody else pleases. For the fact that the people of Arizona have allowed me to carry on as I chose I am duly grateful. As I said before, they have a right to displace a Senator for a good reason, a bad reason, or for no reason at all; and I should be lacking in frankness, I should be disingenuous if I failed to say that they probably had a fairly good reason for displacing me.

Mr. President, when I take my leave in January, I shall carry with me tender and precious memories of our associations here. In all my 29 years here I do not believe a single unkind word has ever been said of me by any Senator; and I am overwhelmed when I remember the thousands of acts of kindness, of courtesy, and of forebearance which have been extended to me by all Senators during my service.

I particularly am grateful to my colleague from Arizona, Senator HAYDEN. Fortunate is the State to have a Senator like the Senator from Arizona, CARL HAYDEN, and fortunate is a Senator who has a colleague from Arizona like Senator HAYDEN, industrious, brave, honest, and capable to a superlative degree. I feel that he is entitled to and should receive this public but all-to-inconclusive a tribute.

I shall always have for the Senate an inviolable attachment for its honor, its purposes, and its success.

A great many people unwisely imagine that the beauty and serenity of life inhere in office. No, Mr. President; royalty and honor do not necessarily inhere in cabinets, congresses, and courts; royalty and honor inhere in the citizen. Honor of itself does not reside in office; honor resides in the man. The great things of life are not signed and sealed before a notary public; they reside in honor.

When my present colleagues are here worrying about patronage, worrying about committee assignments, and about the scorching demands of constituents I shall possibly be enjoying the ecstasy of the starry stillness of an Arizona desert night, or viewing the scarlet glory of her blossoming cactus, and possibly I may be wandering through the petrified forest in Arizona, a forest which lived its green milleniums and put on immortality 7,000,000 years ago. Enjoyment and ecstasy arise in human life from the contemplation and appreciation of such things.

Many people, many good people, many Senators—and Senators we will admit are good people—are inclined sometimes to take a pessimistic view of our country's future. There are many reasons why we will survive when other nations have gone down. First, we may depend upon the justice of Americans, the dignity of mankind itself, and the dignity of mankind especially is noted in American life. In a material way we have the richness of the earth, of its soils, of its mines, and its forests and its minerals. We have the heritage of the inventions of all the past. We are the inheritors of the body, the corpus, of all the inventions of the past both in the art of government, and in science, and in industry.

Moreover, Mr. President, the American people have that transcendent attribute which I believe is superior to the other things I have mentioned—the determination to remain free. As William Allen White said in an article not 3 days ago, democracies cannot be extinguished by tanks and airplanes. The democratic spirit; that is, the spirit of freedom, is inborn, invincible, ineradicable in the true American.

In 1831, 109 years ago, a brilliant Frenchman toured the United States. We were not opulent then; the great monuments of architecture, of art, and the temples of religion, of industry, of learning, of mammon were not then erected. His name was De Tocqueville. When he returned to France he wrote, as all Frenchmen do, brilliantly, and in one of the concluding paragraphs of his book he said:

> During my journey throughout America I sought for the secret of the genius and the greatness of America; I sought for her genius and greatness and growth and glory in her rich soils, in her rich mines, her great forests, her fallow fields, her ample rivers and noble harbors, but I did not discover it there. I further sought for the reason for her growth and her glory and her genius and her greatness, and I found it in her matchless Constitution; I found it in her schools, churches, and homes, ablaze with righteousness. It was there in her Constitution, in her homes, in her schools, in her churches, that I found the true secret of the source of America's genius and greatness.

So it is, fellow Senators. America is great because she is good. When America is no longer good, she will no longer be great.

In conclusion, our country is fortunate in that we have inherited all in history that has gone before us. America does not belong to the past, as some pessimists would have us believe, America belongs to the future. Every American citizen is entitled to say, "Mine is the glorious past, mine is the shining future." I, for one, decline to believe that as a Nation or a people we are losing any of our vital inspiration. I believe that we are still clinging to and will continue to cling to the stern old virtues that made America great and strong, for this system of American government is a precious distillation of art and of truth more romantic than imagination can conceive or fiction can invent.

Mr. WILEY. Mr. President, next January when we again meet in this Chamber, there will be a presence missing, but our friend and comrade, Senator ASHURST, will not be absent from our hearts and minds. We know the distinguished Senator has not gone down to defeat. Napoleon himself said that no one goes down to defeat except he who accepts it. The Senator from Arizona does not accept defeat. Mr. President, as a Republican Senator and one of the novitiates in the Senate, I can say that the distinguished Senator has my love and respect and affection. We will miss him for many reasons. He never rose in the Senate that he did not give an idea that made us better for what he said. He always thought straight and clear. The Senate can ill afford to lose his philosophy,

his equanimity, and his smile. He has built his house not on the sand but on the rock—the rock of service, high thinking, and fine living.

We know, Mr. President, that as he goes out from here he will continue to give his fellow men the benefit of his way of life. He will continue to serve his fellow men. We know not what direction such service may take, but we do know it will be constructive and helpful to his fellows. If he were to continue to give the message to America that he has been giving ever since I came to the Senate—a message of cheer, of courage, of fearlessness—America would be stronger and healthier, financially, morally, and spiritually. His life exemplifies the words of Browning that—

Life has meaning and to find its meaning is my meat and drink.

Senator ASHURST has been a seeker for truth, for more light. The loss of office will not unbalance him. He knows there are "more worlds yet to conquer"—more adventure up ahead.

I believe that he will go out of office with a smile on his lips accepting the challenge that tomorrow presents, and he will continue to fulfill in the highest way his obligations to the Government in this crucial period which we face. We wish him continued health, joy, and prosperity.

EXPANSION OF LENDING AUTHORITY OF EXPORT-IMPORT BANK

The Senate resumed the consideration of the bill (S. 4204) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Ohio [Mr. TAFT] to the amendment reported by the committee.

Mr. WILEY. Mr. President, Senate bill 4204 to provide for increasing the lending authority of the Export-Import Bank of Washington opens new doors economically and politically through which Uncle Sam is asked to step. Under this administration we have stepped out into many blind passages. Here is another opportunity for "adventure in the red," for "a rendezvous with destiny"—lending and spending.

Mr. President, we are told by the Senator from New York that this bill is an essential part of our total-defense program and will give us an opportunity to prove again our good-neighbor policy.

A famous Frenchwoman once said, "Oh, liberty, what crimes are committed in thy name." We might paraphrase that statement and say, "Oh, total defense, what crimes are to be committed in thy name."

The pending bill proposes to give the Export-Import Bank an increase of $500,000,000 in its capital stock, $500,000,000 of the people's money from the R. F. C. What for? To loan to South American countries and banks. The distinguished Senator from New York says, "it confers authority broad and flexible." That is true.

The American people have two and a half billion dollars in defaulted South American bonds. The excuse for the default is given by the distinguished Senator from New York; and I ask Senators to read his great speech for it was a great speech. He therein pictures a condition which should cause us to pause before repeating this "high adventure," and I repeat what I said, putting $500,000,000 more into South America. Are we throwing more good American dollars after bad ones, Mr. President? What does this policy lead to? Let us see.

The first objective, as outlined by the distinguished Senator from New York, and which the bill contains, is to develop our trade with South America. We are told that this will develop our trade. That sounds good. We want more trade. We heard an exposition today by the distinguished Senator from Arkansas [Mr. MILLER], giving us some figures. I say, this sounds good, but how develop our trade is the question? Loan money to South America so that she can buy our goods we are told. We did that before, and we have two and a half billion dollars of their I O U's. South America learned that lesson from "the boys" over in Europe. We have from Europe billions of their I O U's. They borrow and pay not.

Does this policy create sound commerce? That is the question. Even if we assume that loaning results in their taking our money and buying our goods, does it create sound commerce? Does it build for good relationship? Stop and think that one over: Does it build for good relationship, or is America just being made a sucker?

I can give away my own money which I have in my pocket, and which belongs to me, but can I, as a trustee, a public servant, give away Uncle Sam's money? That is what loaning money to South America will amount to.

The second objective claimed is that the passage of this bill will provide a means of getting strategic materials. I am strongly for that result. Therefore we should adopt the Taft amendment, with the amendment suggested to it today by the Senator from Michigan [Mr. VANDENBERG]; but let me say, Mr. President, that we can get strategic materials any time by buying them and paying for them; so there is not a great deal even to that argument.

The third objective of the bill, according to the Senator from New York, is to aid in the orderly marketing of Latin American surpluses, because, as it is said, "The threat of totalitarian infiltration is very real." That was demonstrated today by the Senator from Arkansas [Mr. MILLER], too—that Germany has gotten a hold, he calls it a strangle hold, on South America. I cannot concede the strangle hold, but I know Germany is down there. We know that. This argument of marketing South America's products also sounds very good, but a keen analysis of it will show that it is not so good. It is just like many other of the fancy ideas of the past 7 years. Are we to drag America into becoming Santa Claus for the cotton, sugar, wheat, and meat producers of South America? Let us ask ourselves that question. Let us be realistic about it. We have done that for our own people; but are we going to tax our people, are we going to take money from our own people now, to attempt to step into South America and become Santa Claus down there?

The PRESIDENT pro tempore. The time of the Senator from Wisconsin on the amendment has expired.

Mr. WILEY. I will take other time on the bill, Mr. President.

Let us be practical. If we have all the gold in the world, none of the countries can pay in gold except ourselves. The other countries can pay in goods. We can buy South American coffee, tin, and other noncompetitive goods, and South America can, with the money she gets and the credit she can obtain, buy what she needs of our goods; or we can do a little bartering between us.

The fact of Germany's infiltration of South America is established. The distinguished Senator makes out a good case in that respect, in that he establishes the fact of the infiltration; but I ask—and this is the real question—Can we meet this infiltration by America loaning money to South American nations? I answer that question, "No."

How, then, can we meet the danger of German domination in South America caused by this infiltration?

The argument made on this floor is that we can meet that problem by loaning $500,000,000 to the South American banks and to the governments of South America. I say that cannot be done. That sort of thing has not even solved similar problems in our own country. What should we do, then?

First, let us use a little horse sense. Let us say to South America, "We expect you to pay the honest obligations that you owe in this country." Let us get down to brass tacks, so they will know that when we deal with them we are not making gifts.

Second, let us infiltrate South America with Americans who know the languages of South America. Let us educate our youth to speak Spanish and Portuguese. Let the youth of this country go down there and speak the languages of South America. Let them go down there and help South America. Let them go down there and deal honestly and fairly.

Third, let us exchange scholars and professors and ideas with South America.

Fourth, let us start traveling to South America. Let the tourists of North America go down there and spend their money seeing that great country, and learning what South

America has to show to them; and let these tourists show their appreciation of South American culture and customs. Let them become acquainted with South Americans, and let them become friendly with South American people.

Fifth, let this Government and its agencies cooperate in every way to offset Nazi propaganda, methods, and domination. But, Mr. President, let us not try to buy friendship. That never can be done. You and I have never succeeded in buying friendship. If we seem to gain friendship by buying it, the friendship is not real or lasting or genuine.

But I hear someone say, "Something must be done." Yes; something must be done. What?

(a) South America herself must immediately awaken to her own danger. Every country has a right to expel and should expel every person who is plotting her downfall; who is a "fifth columnist," or who settles in the country and will not swear allegiance to her flag. Every country has a right to expel such a person.

(b) South America should, and we should, foster the idea of creating one or two strong nations in South America, several or even one United States of South America.

(c) We should lend her our experts in business and science and government and defense. Yes; we might even leave a few of those experts down there permanently. We can get along without some of them.

South America should belong economically to South Americans, and not to Europeans. South America should belong politically to South America, and to no other nation.

Mr. President, I desire to compliment the Senator from New York [Mr. WAGNER] on a great speech. As I said, I read it over again last night. I might say, paraphrasing the words of a great Roman, "Almost thou persuadest me" by thy picture of the situation in South America. If the money it is proposed to lend were my money, I might even chance it, but it is the people's money that we are asked to lend and spend, and, Mr. President, in my opinion, showing the situation which exists in South America does not prove anything. It does not show that lending this money will solve the problem. In other words, there is nothing to show that lending this money would remedy the evil or would bring about the desired result. This $500,000,000 would be just a drop in the bucket. We should be asked, I believe, to pour more and more millions into this rat-hole.

I believe the use of this money is not the way out of the dilemma. Spending the money, or lending it, would prove to be just another palliative. The mere profligate use of money, as this administration has demonstrated time and time again, is no curative. It leaves the patient worse off than before.

Let South America demonstrate that American capital is safe there and American private capital will flow to South America. Let us provide for our own people here, as suggested by one of the Senators today, not by any guardianship—that weakens an individual or a people—but by raising the income of America. Give the farmers of America an increased purchasing power. If we could increase it so that each of them had $500 more to spend, we should see the economic life of the United States made healthy.

The mirage of foreign trade—and it generally averages only about 5 percent of our total trade, and 2½ percent of that is noncompetitive—is leading us out into the desert. I hope we shall be able to find a spring out there, but it is dangerous to tread those hot sands and not know where we are going.

As the Senator from Michigan says, the lending of money is a broken reed on which to lean. Foreign trade in the post-war period will indeed be a poor staff on which to lean.

Build America strong, build her strong within her borders, and we will be able to meet the post-war era with chins up, even as the distinguished Senator from Arizona is meeting his situation with chin up, with a smile on his lips, with victory in his heart, and knowing that life ahead is rich.

Mr. President, I ask to have inserted in the RECORD a very illuminating discussion of the Latin American economic problem found in a recent issue of the bulletin of the National City Bank of New York, dated September 1940.

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

LATIN AMERICAN ECONOMIC PROBLEMS

Measuring the results against what it set out to do, the Pan American Conference held in Habana, July 21 to 30, is entitled to general acclaim. The chief object of the conference was to provide against the possibility of a victorious Germany seizing British, French, or Dutch possessions on this side of the Atlantic. The United States made proposals, but the agreement reached was in the fullest sense a joint expression embodying the views of other countries. It took the form, first, of a solemn pact to counter with joint action, or independently if necessary, any projected transfer of sovereignty over the territories held by European powers in the American hemisphere; and it included a 19-point convention which covers the steps to be taken, details of the provisional administration of such territories, and their final disposition. This swift agreement, which gives the Monroe Doctrine a stronger continental backing than it has ever before had, is evidence that statesmen and public opinion of all countries are united upon questions involving territorial integrity and security.

Secondly, the conference agreed upon a declaration on inter-American economics, providing especially for study and action on the emergency problems created by the war. The economic declarations are less definite than the political pact, but no more was practicable or expected. An attempt to devise cooperative measures to cover contingencies which are still vague would have been futile.

SOUTH AMERICA'S TRADE INTERESTS

The fact that political problems could not be considered without reference to economic problems is obvious. The South American countries do not wish to sever or weaken valued trade relations, and they are more dependent upon foreign trade, and upon Europe, than the United States. They normally export 30 to 50 percent of their production. In peacetime years half of their exports have gone to Europe and half of their imports have come from Europe. Many of their major products are also major products of the United States, with which we are heavily supplied, and there is no natural market for them here.

Furthermore, South American exports worth $490,000,000, and representing 31 percent of the total, went to the European Continent, as shown by the table following. The war and the extension of the British blockade have virtually destroyed this trade. Exports to Great Britain and the United States have increased; nevertheless, surpluses of some commodities have piled up, with depressing effects upon markets, and unless conditions change before the next crops are harvested the situation in other commodities will be critical.

Distribution of South American foreign trade

IMPORTS

[All figures in millions of dollars; 1936-38 average values]

	Western Hemisphere		Europe		All other countries	Grand total
	United States	Other	United Kingdom	Continent[1]		
Argentina	66	40	86	153	67	412
Bolivia	6	7	2	6	2	23
Brazil	68	50	33	116	24	291
Chile	24	11	10	33	9	87
Colombia	40	2	14	26	3	85
Ecuador	4	1	1	5	1	12
Paraguay	1	4	1	2	1	9
Peru	18	7	6	18	5	54
Uruguay	7	10	10	17	11	55
Venezuela	42	1	7	26	4	80
Total	276	133	170	402	127	1,108
Percent	25	12	15	36	12	100

EXPORTS

Argentina	59	55	172	220	32	538
Bolivia	3	1	26	9	----------	39
Brazil	117	22	32	125	26	322
Chile	29	4	29	44	[2] 45	151
Colombia	54	6	1	22	12	95
Ecuador	5	2	1	5	1	14
Paraguay	1	4	1	2	----------	8
Peru	19	16	18	22	9	84
Uruguay	8	10	18	27	7	70
Venezuela	36	[3] 180	11	13	----------	240
Total	331	300	309	489	132	1,561
Percent	21	19	20	31	9	100

[1] Excluding Soviet Russia.
[2] Chiefly nitrate of soda and iodine shipped for unspecified destinations.
[3] Chiefly petroleum shipped to Curaçao and Aruba (Dutch West Indies) and exported to the United Kingdom and Continent.

Supplies of foreign exchange (particularly dollars) available to the South American countries to pay for imports and meet other requirements are diminishing. It has been calculated, for example, that each decline of 1 cent per pound in coffee reduces Colombia's available foreign exchange at the rate of $5,000,000

annually, and coffee has dropped about 4½ cents in a year. Colombia has borrowed $8,000,000 from the Export-Import Bank at Washington and restricted nonessential imports to a minimum. Venezuelan oil exports have been disappointing, and the ending of a barter agreement with Germany has reduced exports and compelled her to find free exchange for the corresponding imports. The same situation affects Chile. Brazilian coffee shipments have fallen and the sale of cotton is slow and uncertain. The details differ, but all the countries are affected. Some thought they would benefit temporarily from war trade, but in fact the inescapable losses due to the war are being incurred now.

These are facts which were bound to be of chief concern in a conference dealing with American-European relations. The Latin American nations are unanimous in wanting security. Individually they also want to preserve their trade. Their international policies must take trade into account. The United States, whose policy is to promote a free world trade, cannot be other than sympathetic with their difficulties.

DECLARATION UPON INTER-AMERICAN ECONOMICS

The economic declaration made by the conference properly recognizes that the problem includes two distinct though related parts. First, it states that the American nations maintain their adherence to liberal principles of commerce, and that they propose to apply these principles to their mutual relations as widely as circumstances permit, and to all their commerce as soon as non-American countries are disposed to reestablish them. It will be appropriate to refer to these declarations after the war. They constitute a clear statement that so far as the preferences of the American countries go they are indisposed to barter and the equivalent totalitarian methods of which they have had experience.

The second part of the problem, the disruption of South American exports by the war, is concrete and urgent. The declaration calls for amplification of the activities of the Inter-American Economic and Financial Consultative Committee, created at the Panama Conference last fall. It charges this Committee to study measures whereby living standards can be raised, internal consumption of export products increased, and interchange among the American nations advanced; to create instruments of inter-American cooperation for warehousing, financing, and transitory disposition of surpluses; to formulate programs for the distribution of surplus products as humanitarian measures; and for promoting economic development with suitable financial aid.

These recommendations are all appropriate and in principle noncontroversial. Meanwhile President Roosevelt has asked Congress for legislation making an additional $500,000,000 available to the Export-Import Bank, to enable the bank to make loans to governments and governmental agencies of other Western Hemisphere countries. The President's request was made during the conference, and was a commitment as to the administration's attitude, although naturally not binding on the Congress. One of the several purposes of the proposal, as expressed in the President's message, is to finance indirectly the "handling and orderly marketing of some part of their surpluses." The bill at this writing has passed the House of Representatives and is expected to become law.

ROLE OF THE UNITED STATES

The role to be played in economic affairs by the United States, whose paramount interest is in defense and security, is one for the gravest consideration. The first question is whether this country, accepting the President's leadership, should help in dealing with the immediate difficulties. While of uncertain duration, the emergency is obviously temporary, inasmuch as European needs for the food and supplies which are piling up on this side of the ocean will some time be immense. This is one justification for support to bridge over the period of disruption.

Second, the economic situation in the United States is affected. Pressure to sell products competitive with ours, which formerly went to the Continent, depresses our markets, as witness the sharp decline in hide prices, from 13½ cents on May 10 to 9¾ cents, due to weakening of the Argentine market and larger imports into the United States. Lead prices are down, due to excessive Mexican and Peruvian supplies. The loss of exports to Europe diminishes the ability of South American countries to buy goods here, since they have normally covered part of their payments to the United States by converting the proceeds of sales to Europe. At the same time the proceeds of exports of certain commodities to Great Britain, notably Argentine and Uruguayan meat, by agreement have been blocked in pounds sterling, usable only in Great Britain, which reflects the British necessity to conserve foreign exchange. Inability to convert these British funds into dollars prompted Argentina in June to arrange a credit of $20,000,000 with the Export-Import Bank.

In the third place, defense of a hemisphere is a common enterprise. The United States asked from the conference only cooperation in the common interest, and sought nothing for itself. The Latin American countries have confidence in Secretary Hull, and have learned that this country has no imperialistic aims and will take no selfish advantage of their necessities. Manifestly, however, if the United States contributes financial aid it is better able to ask for equivalent contributions to defense. Negotiations are in progress for naval bases in British possessions. Whether the use of bases on the continent of South America would be advisable is for the general staffs to decide, and we do not presume to offer an opinion. The question may be typical, however, of those which come up as defense is explored.

These are the arguments for the Export-Import Bank proposals. There is also much to be considered on the other side. Even though the United States has interests at stake, in the long run each country must bear its own losses resulting from the war; and for the most part it appears that each South American country desires to make its own adjustments and minimize its losses in its own way, appealing only for such financial assistance as will spread the burden over a longer time. As a general rule resort to loans for economic relief is simply taking the path of least resistance. Loans open no new markets to the borrower, they add to his burdens for the future, and in the long run they are likely to bring him little benefit.

The United States has had experience with loans to support commodities, and the best that can be said of them is that the need tends to become perpetual unless production is concurrently controlled. It is not to be expected that independent countries will allow their production or trade policies to be governed by an outside authority. Plainly they are the business of each country. Many of the South American countries are already making loans out of their own resources, and controlling supplies for market in one way or another.

PROPOSALS TO PURCHASE COMMODITIES

It has been proposed also that the United States should purchase appropriate quantities of commodities which can be used here, though not now needed, and carry them as a reserve; and probably more will be heard of this proposal. It might apply, for example, to Chilean nitrates, which are fertilizers and are needed to make explosives; to Argentine wool and hides, of which this country is regularly an importer; to Peruvian long-staple cotton, replacing Egyptian cotton here; and to a considerable number of less important commodities which this country regularly imports.

It must be recognized that any purchase plan would involve dangers. Unless favored by unusual good fortune, losses would probably be incurred. Any effort to withdraw surpluses from markets tends to stimulate overproduction and lead to still larger surpluses. The stocks withdrawn, if their disposition is uncertain, are an incalculable and disrupting element in normal trade. Moreover, a commitment by one country for the benefit of another may be interpreted as implying commitments for the future and considered a form of subsidy that cannot be withdrawn without repercussions.

These hazards make it plain that any program of purchases should be clearly and definitely limited as to time, as to the quantities of commodities involved, and as to the prices fixed; and that the disposition of the stocks in orderly manner should be provided for. The governing principle should be that the market support should bridge over a temporary situation and should not be construed as a substitute for natural trade.

If a purchase program could in fact be arranged within these limitations, it appears from the figures that a great deal of aid in the emergency could be given with comparatively small sums. Calculating the average exports of Chilean nitrate, for example, at 1,600,000 tons, a contract for 400,000 tons would make up for most of the possible loss of sales for the year 1940 and would support normal operations in the nitrate industry. The cost in Chile at $12 a ton would be $4,800,000.

Purchases of wool would run to considerably higher totals, if lost European markets were to be wholly compensated for; but this country is normally an importer of wool, and possibly could increase its consumption of Argentine carpet wools in place of oriental wools now inaccessible. The same comments apply to hides, cocoa, and long-staple cotton, and the amounts that would give relief would not run to many millions. In coffee substantial sums (perhaps $25,000,000 to $30,000,000) would be required to absorb the major part of the 5,250,000 bags of Brazilian coffee and 750,000 bags of Colombian coffee normally exported to the Continent, and the disposition of the stocks acquired would present difficult problems. The coffee surplus is chronic in Brazil, however, and for years has been dealt with locally.

What the United States could do with the huge surplus of Argentine corn is not clear, since we have a corn-surplus problem also; the Argentine Government is lending growers 15 cents a bushel to keep corn on the farm. Argentine wheat and flaxseed present no great difficulties at present, as stocks are not abnormal. The next crops, however, will come to market with very unfavorable prospects if the war continues.

We lack space for further elaboration of the facts in each commodity market. It is sufficient to say that the situation as it now exists requires no grandiose scheme for its alleviation. Nor are the amounts of money needed for storage and orderly marketing as large as many people have assumed. It remains to be seen how far they are beyond the means of the countries concerned, and whether the requests for assistance from the United States will mount to large sums, as compared with other government spending for economic relief. One thing is certain: The greater the scale of proposed assistance the more likely it is to be wasteful and empty of ultimate benefit.

The cartel proposal, by which Latin-American commodities normally exported to Europe would have been impounded in a huge pool financed by the United States, which would have controlled their sale, has perished unregretted. The proposed obligations to be assumed by this country were excessive and the plan probably unmanageable; and to the Latin Americans the surrender of authority over their trade was objectionable. With the nature of post-war trade undefined, and the feared totalitarian threats

still wholly in the realm of surmise and speculation, it would be premature to begin combating them by setting up pan-American totalitarian measures.

APPROACHES TO A BROADER TRADE

Two fundamental facts underlie trade relations between the United States and Latin America. One is the general truth that all trade must be two-way in character. The other is the fact, already pointed out, that many products, particularly of South America, are competitive with rather than complementary to United States products, and that the major trade of their producers therefore is with Europe. Efforts to increase pan-American economic solidarity must be in harmony with these facts.

Three lines of approach may be suggested. One is that increased standards of living everywhere in the hemisphere would absorb more of the raw materials in which the surpluses exist. Greater industrialization would raise living standards in South America, and improved roads and other communications would enlarge the internal trade. The United States, which has management, technical ability, and capital goods to export, can aid productive economic development, and in the present situation opportunities for sound capital investments and intermediate term loans, by the Export-Import Bank or private interests, are less likely to be overlooked than ever before.

The second approach is the development in Latin America of new products not competitive with United States products, and expanded output of articles which we now draw from more remote sources. The number of commodities with possibilities for development is long, but the possible volume with some exceptions is small, and progress is necessarily slow.

The third approach is to determine whether more Latin American products, although competitive with American agriculture or industry, could be admitted into this country without disrupting domestic production to an extent that would offset the general benefits. It cannot be said too often that closer economic relations must begin with larger imports from Latin America. The larger exports would follow.

There is no over-all or quick and easy solution to the problem. Natural and well-developed trade relations can shift only gradually and in response to patient, careful, and mutually sympathetic effort. But if the American nations approach the problem in that manner they unquestionably will find that they are dealing not merely with a possibly critical situation, but with a great opportunity.

Mr. GILLETTE. Mr. President, I believe no one can seriously find fault with the announced and, of course, the real purpose of the pending legislation. I believe there is no American who has given serious consideration to the subject of the future control of South American and Central American trade who is not thoroughly disturbed over the possibility that the expansion of our trade in that direction is seriously jeopardized by infiltration from abroad. But the question of the desirability, the merit, or the attractiveness of a goal is no excuse for choosing a route to reach that goal which has no justification.

I wish to call attention to the steps by which we have reached the point of considering the particular proposal now before us, and I wish to say, as a prelude, that I cannot support the proposed legislation unless the amendment offered by the Senator from Ohio shall be adopted and added to the bill.

Mr. President, in 1934, under the authority of the National Industrial Recovery Act, section 2, the President of the United States issued Executive Order No. 6581, setting up the Export-Import Bank, and he used this language:

> For the purpose of aiding in the financing and facilitating exports and imports and the exchange of commodities between the United States and any of its Territories and insular possessions and any foreign country and agency.

The purpose, as developed by the National Industrial Recovery Act, was to furnish an agency, a tool, and an instrumentality through which the United States might possibly recapture some of the foreign markets for our surpluses, particularly agricultural surpluses, which had been ruthlessly thrown away. We have been utilizing that agency and that power to extend loans for the purpose of negotiating contracts for the marketing of American products and the exchange of our products in foreign markets.

In 1935, in section 713 (b), Title XV of the United States Code, the Congress of the United States gave legislative approval to the Executive order which the President had promulgated, and this statutory enactment repeated, almost word for word, the purposes set forth in the President's proclamation. I read from section 713 (b). Up to the period June 30, 1941, the two Export-Import Banks were given this general banking authority—

> For the purpose of aiding in the financing and facilitating exports and imports and the exchange of commodities between the United States and any of its Territories and insular possessions and foreign nations.

There has been only one purpose at any time, and that was to furnish the funds which might enable us to negotiate contracts with foreign nations for the sale of our products, and again recapture the foreign trade. But what is the pending bill, what is the proposal? Is it to facilitate the trade of the United States? Oh, no. It is proposed "in order to assist in the orderly marketing of products of the countries of the Western Hemisphere," which is an entire change of purpose, having no reference whatever to the idea that we through this agency might furnish money to enable us to negotiate sales of our products. It is to enable the foreign nations in the Western Hemisphere to market their products. With us? No. Where? Most of their products are competitive with ours. We do not want them here. Most of them are competitive with our agricultural surpluses.

There is not one word in the pending bill which would prevent the money loaned to any nation in the Western Hemisphere from being used to promote marketing their surpluses in the world markets in competition with us, and thus taking our markets away.

Everyone knows the situation as to agriculture in the United States. Everyone knows the distress in which we have found ourselves because of the backing up of our agricultural surpluses through the destruction of our foreign markets; yet it is proposed that the agency by which we are seeking to recover those markets shall now be subverted into an agency which could be utilized against us.

I adverted to this matter yesterday when the distinguished majority leader was speaking, and I asked him whether there was anything in the measure as proposed which would prevent the use of the money to be loaned for financing the sale of agricultural surpluses of the country to which a loan might be made, in competition with us, and the distinguished Senator said:

> It is inconceivable to me that the Export-Import Bank would make loans * * * primarily and exclusively in order to enable that country to market its products in competition with ours.

The distinguished chairman of the Committee on Banking and Currency, the Senator from New York [Mr. WAGNER], rose and stated also, adverting to Mr. Jones' testimony, "Whatever contract is made will protect American agriculture."

Of course, that is true. A request for one of these loans would be submitted to the President, under terms laid down by Mr. Jones, or whoever might be in charge, and it would be made on the approval of the President; but the time has long since passed when, in my opinion, it is justifiable for the Congress of the United States to leave to the tender mercies and consideration of any individual the contract and conditions under which the public finances may be expended and disbursed; and that is what is proposed. By the amendment pending, or additional amendments, we can so secure ourselves that the money may not be so used.

We hear reference made to the infiltration of Germany into the markets of South and Central America. There is not a word in the bill which would prevent the money loaned to Brazil, or the Argentine, or Chile, or San Salvador, or Honduras, being used in financing the sale of their products to Italy or Germany. It would have to be protected against, as stated by the eminent Senator from New York, in the contract itself. But we are asked to enact legislation which would make us absolutely dependent on the wisdom, the justice, and the dependability of the countries with which we would be dealing. I would be the last person in the world to question them in any way, but I do question the wisdom of the United States Congress refusing to protect the agricultural interests and the industrial interests of this country, when we pass legislation placing in the hands of any man,

I do not care who he may be, the right to lend our money under such terms as may be laid down, money which could, under the terms of the legislation we are passing, be utilized to finance the sale of products in competition with our own in the markets we are seeking to reach.

Because of the reasons I have given, I cannot support the bill unless it shall be amended as I have suggested.

Mr. WAGNER obtained the floor.

Mr. McNARY. Mr. President——

Mr. WAGNER. I was about to suggest the absence of a quorum.

Mr. McNARY. I rose for that purpose also.

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

The PRESIDING OFFICER (Mr. BURKE in the chair). The clerk will call the roll.

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

Adams	Davis	King	Reed
Andrews	Downey	La Follette	Reynolds
Ashurst	Ellender	Lee	Russell
Austin	George	Lodge	Schwartz
Bailey	Gerry	McCarran	Schwellenbach
Barkley	Gibson	McKellar	Sheppard
Bilbo	Gillette	McNary	Smathers
Brown	Green	Maloney	Stewart
Bulow	Guffey	Mead	Taft
Burke	Gurney	Miller	Thomas, Idaho
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Neely	Townsend
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	Nye	Wagner
Clark, Idaho	Hill	Overton	Walsh
Clark, Mo.	Hughes	Pepper	Wheeler
Connally	Johnson, Calif.	Pittman	White
Danaher	Johnson, Colo.	Radcliffe	Wiley

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT] to the amendment reported by the committee.

Mr. TAFT. Mr. President, I wish to say only a few words before the vote is taken on the amendment.

The distinguished majority leader yesterday, in arguing for the bill, made the statement that:

> One of the reasons why Great Britain is now in her dire distress and extremity is that the people of Great Britain were more anxious to balance their budget and to keep down taxes than they were to prepare for what is now happening.

I do not agree with that statement. While the British people undoubtedly made a tremendous mistake in not preparing adequately, I doubt very much whether it was any financial consideration which brought about that result. It is traceable to the international agreements, and to the ideas of the League of Nations. I should say that the statement that Great Britain's desire to balance her budget brought her into her present condition, is wholly erroneous.

I object very strongly to the implication which will inevitably be drawn from the position of the majority leader. Even if that assumption were true, it is argued that since England is unprepared, therefore we should forget our own Budget, and pay no attention to the ordinary rules which should govern the fiscal administration of a government. It is argued that we must accept any expenditure that is proposed under the label of defense. It is argued that we must accept any measure that is proposed as part of the defense program, whether it violates the fundamental principles of our Government, deprives men of liberty, or gives arbitrary power beyond anything heretofore contemplated. I object very strongly to the implications of the Senator's argument. Because a measure is alleged to be in the interest of defense, it may not necessarily be so. We still have an obligation to examine each expenditure, and determine whether that expenditure is really effective to accomplish the purposes it is supposed to have. In fact, it is all the more important that we do so, or we may wake up to find ourselves not only bankrupt, but without the kind of defense measures we really need. It is all the more important that we hold our measures as much as possible within the principles of American Government, or we may wake up to find ourselves overwhelmed by a form of totalitarian government without any attack from Europe.

I should not oppose this particular measure if there were any evidence whatever that it would supply additional strength in defense against possible attack from Europe; but I submit that it is completely hopeless for us to attempt to stabilize the economies and raise the standard of living of foreign countries. I submit that it would be worse than useless to attempt to hold South American surpluses off the world market; that it would actually make those countries weaker in meeting any possible threat of German aggression in the future; that it would subsidize competition against our own producers and result in the same complete collapse of prices which has followed every international cartel.

Finally, in my opinion, the policy of loaning money to other nations is bound to result ultimately in the loss of the money, and, above all, in the loss of the very good will which we are attempting to buy. The best possible way to alienate a good neighbor is to lend him money.

I doubt very much whether the South Americans themselves are anxious to secure loans. We have no evidence that they have ever applied for any. I should like to read a statement by Jose Maria Cantillo, former Foreign Minister of the Argentine, reported in a dispatch from Buenos Aires in the Washington Times-Herald of yesterday. Regarding loans from America, he said:

> "Argentina is not at war and there is no indication that she will ever go to war," declared Cantillo. "We must, therefore, remember, first of all, that we've got to do business in world markets. With Germany now controlling Denmark, Norway, France, Holland, Belgium, and Poland, and tied closely to Italy, Germans control lands where about 48 percent of our last normal year's exports were sold."
>
> "If the United States is eager to lend money, it will be hard for Argentina or any other South American country to turn down the loans," said Cantillo. "But we all will accept loans with the knowledge that it will settle no problem whatever. At best, a loan will be merely a gesture of good will."

The difficulty with the gesture of good will in lending money is that unless we continue that gesture every year, we create more bad will than good will. I have been anxious to give the administration such power to make loans as may actually have some effect.

Mr. President, I now desire to modify my amendment by inserting in line 5, after the word "made", the words "for the heretofore existing purposes of the Export-Import Bank and."

The PRESIDING OFFICER. The amendment will be so modified.

Mr. TAFT. With the modification that part of the amendment now reads:

> Such loans shall only be made for the heretofore existing purposes of the Export-Import Bank and for the purpose of assisting in the development of resources which are defined by the President as strategic and critical materials or of resources and materials which are not produced in the United States in appreciable quantities and which are required for use in the United States.

I can see how we can help our position in South America by financing American exports to South America. I pointed out that I think it is only an incidental thing, but it will help some. I pointed out yesterday that of our total exports to South America during the past 5 years, only 2½ percent, or $62,000,000 out of $2,400,000,000, has been financed by the Export-Import Bank, and the rest has been financed in the normal channels of trade. The Export-Import Bank can help that program and assist private exporters by loans to private exporters, and can assist private exporters even by loans to governments, by freeing the exchange, and making it possible for Americans to export further.

I can see how the other purpose also will assist if we enable Brazil to develop the kind of iron ore which we do not produce, or encourage Brazil to produce rubber. We now have such a project, and we have given the Department of Agriculture power to spend money in going ahead with the project. If we enable Bolivia to produce tin, we shall be assisting in developing something which Bolivia can sell to us. By enabling the South American countries to develop things which can be sold to us, we shall increase our exports to South America.

The Senator from Arkansas [Mr. MILLER] referred to the fact that in 1 year Germany had exported to South America

more than she had received in imports from South America. We might do so for 1 year. Competition might enable us to advance a little; but in the long run the only way we can increase our exports to South America, and the only way we can increase our economic domination, is by helping South America to develop products which we can buy, and not by encouraging the larger production of agricultural surpluses; not by encouraging South America to build up the production of hides and cattle to compete with our hides and cattle; not by encouraging South America to build up a surplus of corn, and then produce more corn next year for more surpluses to compete with our agricultural producers, but by lending the South American countries money to enable them to develop resources which we can buy from them and which will enable us to sell them a greater proportion of the total imports which South America requires.

The Senator from Arkansas said that economic domination is always followed by political domination. I do not know what economic domination is. Today we export a larger proportion of the goods exported to South America than does any other country in the world. We ought to be able to maintain our position. There is no reason why German political domination should not be met by the same methods which the Germans use, if they are effective. As a matter of fact, such domineering methods, relying on so-called German economic strength, apparently have created only enmity in South America.

So, Mr. President, it seems to me that if successfully carried through, the development under the bill, amended as I propose to amend it, would give us a stronger position to meet German competition in South America after the war, whereas if the idea of lending money on agricultural surpluses is permitted to remain, it will only make us weaker in South America after the war. There are a hundred methods by which we can combat German infiltration into South America. The most completely ineffective method is that of lending money on surplus agricultural commodities; and yet the message of the President mentioned no other purpose than that in asking us to enact the bill. The act of Habana contemplates that use of it. I say it is the most fantastic purpose for wasting American money that has been submitted to the Senate during the past 2 years, while I have been a Member of the Senate.

Mr. TAFT subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a table showing exports from South American countries.

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

Chief exports of the 20 Latin American republics, by countries, for 1939

[Sources: Official Statistics of the Respective Latin American Governments. Values in round numbers converted at average rate of exchange for the year; volume in metric tons except where otherwise stated]

ARGENTINA

[Peso converted at 27 cents]

Commodity	Metric tons	Dollar value
Animal products:		
Live animals	78,856	4,032,000
Meats	669,274	89,880,000
Hides	170,097	30,761,000
Wool	149,339	43,940,000
Dairy products	32,210	5,339,000
Miscellaneous animal	[1] 231,114	11,991,000
Agricultural products:		
Grains and linseed	[2] 9,995,424	186,723,000
Wheat products	[3] 490,233	6,944,000
Miscellaneous agriculture	[4] 395,819	13,414,000
Forest products	296,748	12,949,000
Mining products	181,210	5,091,000
Fish and game	1,382	1,475,000
Miscellaneous general	183,394	12,218,500
Total	12,875,100	[5] 424,757,500

[1] Includes tons of lard, 9,000; fats and tallow, 70,500; casein, 20,600; sausage casings 7,600.
[2] Includes tons of wheat, 4,744,000; corn, 3,196,000; linseed, 1,183,000.
[3] Includes tons of flour, 98,700; bran, 291,000.
[4] Includes tons of fresh fruits—apples, pears, grapes—52,700; oil cake, 113,000; cotton, 19,400.
[5] 11.9 percent to United States.

Chief exports of the 20 Latin American republics, by countries, for 1939—Continued

BOLIVIA

[Given in pounds sterling converted at $4]

Commodity	Metric tons	Dollar value
Tin	27,648	25,051,000
Wolfram (tungsten)	2,002	1,860,000
Antimony	10,060	1,376,000
Lead	14,119	861,000
Copper	4,056	715,000
Zinc	7,769	459,000
Bismuth	13	22,000
Silver	225	2,455,000
Gold, fine grams		260,500
Other exports [6]		2,160,000
Total	65,892	[7] 35,219,500

BRAZIL

[Conto of milreis converted at $54.4384]

Commodity	Metric tons	Dollar value
Oranges	202,500	6,536,000
Refrigerated meats	45,011	5,457,000
Canned meats	38,184	6,497,000
Cattle hides	57,461	13,397,000
Coffee	987,695	121,509,000
Cacao	132,131	12,214,000
Cotton	323,480	63,054,000
Lumber	398,395	5,987,000
Rubber	11,859	3,087,000
Carnauba wax	10,000	6,536,000
Vegetable oils	33,771	3,722,000
Oilseeds, kernels, and cakes	463,088	14,242,000
Total	2,703,575	[8] 262,238,000

CHILE

[Peso converted at 20.6 cents]

Commodity	Metric tons	Dollar value
Copper bars	312,300	68,318,000
Nitrate	1,415,800	26,250,000
Gold and silver concentrates	158,100	7,366,000
Iron ores	1,592	2,814,000
Iodine	404	1,555,000
Wool	11,627	5,714,000
Hides	4,986	1,613,000
Lentils	21,850	2,028,000
Beans	22,978	1,879,000
Fresh fruits	18,037	1,529,000
Frozen meats	10,660	1,414,000
Lumber	52,605	1,327,000
Barley	44,596	951,000
Gold bars		2,247,000
Total	2,075,535	[9] 125,005,000

COLOMBIA

[Peso converted at 57 cents]

Commodity	Metric tons	Dollar value
Coffee	221,796	49,663,000
Hides	2,741	2,074,000
Bananas (1,000 stems, 7,575)		4,718,000
Petroleum (1,000 barrels, 19,417)		18,186,000
Gold		23,132,000
Platinum		632,000
Total	224,537	[10] 98,405,000

COSTA RICA

[Colon converted at 17.825 cents]

Commodity	Metric tons	Dollar value
Coffee	20,245	4,644,000
Cacao	7,672	1,151,000
Bananas	83,262	1,911,000
Sugar, raw	1,412	30,000
Tuna fish	3,393	413,000
Total	115,984	[11] 8,149,000

CUBA

[Peso converted at 93 cents. Department of Commerce converts peso at $1 and reports $147,676,000]

Commodity	Metric tons	Dollar value
Sugar, raw	2,326,077	78,321,000
Sugar, refined	418,324	20,119,000
Molasses	1,205,820	8,271,000
Leaf tobacco	13,047	10,284,000
Hides	5,269	946,000
Minerals [12]	507,000	4,298,000
Cigars (1,000 units, 29,417)		2,760,000
Total	4,475,537	[13] 124,999,000

[6] Includes manufactures, $430,000; foodstuffs, $383,000; live animals, $175,000.
[7] 84 percent of total exports of $43,003,000; 9.2 percent to United States.
[8] 86 percent of total of $305,395,000; 36.1 percent to United States.
[9] 90 percent of total of $138,368,000; 30.5 percent to United States.
[10] 97 percent of total of $100,890,000; 68 percent to the United States.
[11] 90 percent of total of $9,086,000; 45.6 percent to United States.
[12] Includes 107,662 tons of manganese.
[13] 91 percent of total of $137,389,000, 75.3 percent to United States.

Chief exports of the 20 Latin American republics, by countries, for 1939—Continued

DOMINICAN REPUBLIC

[Peso equals $1]

Commodity	Metric tons	Dollar value
Sugar, raw	407,370	11,804,000
Cacao	28,072	2,014,000
Coffee	14,135	1,732,000
Yucca starch	11,473	624,000
Leaf tobacco	8,714	422,000
Corn	14,401	250,000
Molasses	95,461	242,000
Live cattle	9,761	205,000
Bananas (1,000 stems, 824)		191,000
Total	589,387	[14] 17,484,000

ECUADOR

[Sucre converted at 6.7 cents]

Commodity	Metric tons	Dollar value
Cacao	13,500	2,481,000
Petroleum products	215,400	1,675,000
Cyanide precipitates		1,769,000
Gold and silver		998,000
Total	228,900	[15] 6,923,000

EL SALVADOR

[Colon converted at 40 cents]

Commodity	Metric tons	Dollar value
Coffee	55,792	10,657,000
Sugar	6,500	359,000
Balsam, Peru		225,000
Henequen (estimated)	1,400	101,000
Total	63,692	[16] 11,342,000

GUATEMALA

[Quetzal equals $1]

Commodity	Metric tons	Dollar value
Coffee	47,265	[17] 10,000,000
Chicle	871	684,000
Bananas (1,000 stems, 10,264)		5,482,000
Total	48,136	[18] 16,166,000

HAITI

[Gourde converted at 20 cents]

Commodity	Metric tons	Dollar value
Coffee	29,284	3,745,000
Cacao	1,805	122,000
Sugar, raw	37,145	975,000
Cotton	4,672	883,000
Sisal	7,492	540,000
Bananas (1,000 stems, 2,030)		564,000
Total	80,398	[19] 6,829,000

HONDURAS

[Lempira converted at 50 cents]

Commodity	Metric tons	Dollar value
Coffee	1,919	249,000
Bananas (1,000 stems, 12,537)		6,245,000
Gold		778,000
Silver		1,676,000
Total	1,919	[20] 8,948,000

MEXICO (1939)[21]

[Peso converted at 19.3 cents]

Commodity	Metric tons	Dollar value
Animal products		8,731,000
Vegetable products		27,307,000
Mineral products		136,721,000
Manufactured products		1,826,000
Total		174,585,000

[14] 94 percent of total of $18,643,000; 27.1 percent to United States.
[15] 61 percent of total of $11,360,000; 49.1 percent to United States.
[16] 90 percent of total exports of $12,750,000; 66.7 percent to United States.
[17] Estimated.
[18] 95 percent of total exports of $16,985,000; 70.7 percent to United States.
[19] 94 percent of total exports of $7,268,000; 34.4 percent to United States.
[20] 90 percent of total exports of $9,867,000; 90.7 percent to United States.
[21] No break-down available for 1939.

Chief exports of the 20 Latin American republics, by countries, for 1939—Continued

MEXICO (1938)

[Peso converted at 22 cents]

Commodity	Metric tons	Dollar value
Silver	2,957	37,576,000
Lead	250,868	26,505,000
Tin	253	218,000
Zinc	165,433	17,600,000
Copper	42,789	8,547,000
Coffee	35,117	5,652,000
Henequen	57,918	4,237,000
Chicle	3,320	2,150,000
Cotton	222,069	3,890,000
Cattle (head, 350,441)		1,919,000
Bananas (1,000 stems, 14,345)		3,721,000
Gold (grams)		33,597,000
Petroleum (cubic meters, 769,500)		3,790,000
Total	780,724	[22] 149,402,000

NICARAGUA

[Cordoba converted at 20 cents]

Commodity	Metric tons	Dollar value
Coffee	17,416	2,640,000
Sugar	3,248	84,000
Cotton	1,246	253,000
Hides	239	99,000
Bananas (1,000 stems, 1,713)		654,000
Lumber (1,000 square feet, 17,300)		363,000
Livestock (head, 13,000)		187,000
Gold		3,503,000
Total	22,149	[23] 7,783,000

PANAMA

[Balboa equals $1]

Commodity	Metric tons	Dollar value
Cacao	5,262	601,000
Cattle (head, 3,791)		184,000
Bananas (1,000 stems, 5,413)		2,430,000
Coconuts		48,000
Total	5,262	[24] 3,263,000

PARAGUAY

[Gold peso converted at 61.34 cents]

Commodity	Metric tons	Dollar value
Quebracho	55,174	2,037,000
Yerba mate	7,231	805,000
Tobacco	3,499	243,000
Cotton	5,995	553,000
Oil of petit grain	159	293,000
Canned meats	12,082	1,104,000
Meat extract	584	716,000
Meat boullion	948	375,000
Hides (number)	9,400	1,005,000
Lumber		283,000
Total	95,072	[25] 7,414,000

PERU

[Sol converted at 18.75 cents]

Commodity	Metric tons	Dollar value
Cotton	77,203	14,098,000
Wool	6,089	2,706,000
Sugar	272,179	7,691,000
Copper	34,061	12,649,000
Mineral concentrates	94,383	4,118,000
Petroleum and derivatives	1,448,593	20,786,000
Gold (kilos, 4,088)		2,570,000
Total	1,932,508	[26] 64,618,000

URUGUAY

[Peso converted at 50 cents]

Commodity	Metric tons	Dollar value
Unwashed wool	38,071	14,550,000
Washed wool	9,937	5,187,000
Linseed	108,919	3,701,000
Frozen beef	35,973	13,292,000
Frozen mutton	11,157	1,136,000
Chilled beef	18,829	1,767,000
Preserved meats	23,661	2,867,000

[22] 81 percent of total exports of $185,394,000; 74.2 percent to United States.
[23] 94 percent of total exports of $8,301,000; 77.5 percent to United States.
[24] 91 percent of total exports of $3,487,000; 85.8 percent to United States.
[25] 90 percent of total exports of 8,321,000; 14.7 percent to United States.
[26] 90 percent of total exports of $72,089,000; 30.4 percent to United States.

Chief exports of the 20 Latin American republics, by countries, for 1939—Continued

URUGUAY—Continued

Commodity	Metric tons	Dollar value
Jerked beef	2,565	460,000
Beef extract	671	398,000
Cowhides	17,100	3,250,000
Sheepskins	3,869	812,000
Wheat	133,025	2,936,000
Flour	20,550	598,000
Total	424,327	[27] 50,954,000

VENEZUELA

[Bolivar converted at 31 cents]

Petroleum	29,593,143	277,450,000
Coffee	27,391	6,595,000
Cacao	15,378	2,993,000
Total	29,635,912	[28] 287,038,000

Estimated tons, reported and unreported	60,000,000
Total value as tabulated	[29] $1,742,000,000
Tonnage totals here tabulated	56,444,546

[27] 100 percent of total exports; 13.8 percent to United States.
[28] 895 percent of total exports of $300,737,000; 15.8 percent to United States.
[29] 993 percent of total exports of $1,865,000,000; 34.3 percent to United States.

Mr. ADAMS. Mr. President, I wish to offer a suggestion or two on the amendment and on the bill. Having been a member of the Banking and Currency Committee, which had the bill under consideration, and having disagreed with the majority of the committee, I wish to make reasonably clear my own views.

As was stated by the Senator from Arkansas [Mr. MILLER] earlier in the day, the bill is of real consequence. The dollars involved are important, but the policy involved is of greater importance. The purpose of the bill, as stated in the bill itself, is "to assist in the development of the resources, the stabilization of the economies, and the orderly marketing of the products of the countries of the Western Hemisphere."

The remainder of the paragraph makes it clear that the countries whose products are to be developed are countries of the Western Hemisphere other than the United States.

The method which the bill establishes for this purpose is the making of loans by the Export-Import Bank of Washington. Where do the funds come from with which the loans are to be made? The Export-Import Bank is to get its money from the Reconstruction Finance Corporation, which is directed by the bill to lend money to the Export-Import Bank. The Reconstruction Finance Corporation gets the money by borrowing upon the credit of the United States. The notes, bills, or bonds of the Reconstruction Finance Corporation are nothing more or less than obligations of the United States. Both the Export-Import Bank and the Reconstruction Finance Corporation are artificial corporations. Nevertheless, they are no less agencies of the Government than is the Secretary of the Treasury or any other official. So the people of the United States are to lend money to foreign nations and to the banks of foreign nations. Bear in mind that the loans are not limited to foreign nations but may be made to the nationals of foreign nations.

In other words, the bill authorizes lending the money of the people of the United States to the citizens of Patagonia in order to develop the resources of Patagonia. In the bill there is no limitation as to the character of resources. My State produces cattle, wheat, and other agricultural products, as well as minerals. We compete in the world markets with Argentina. We are to lend the credit provided by the people of my State and other Western States to develop the competitive products of South America; and we are told that this is for the purpose of the national defense. There is not one word in the bill in reference to national defense. We are told that it is for the purpose of suppressing subversive Nazi activities in South America. There is not a word in the bill in reference to that subject. The bill is a very plain, naked declaration that we are to make loans to South American interests to stimulate the production of their products, regardless of whether or not they compete with ours. The money which we lend them is the money of the citizens of the United States. As was pointed out by the able Senator from Iowa [Mr. GILLETTE], the bill represents a definite change of policy from the existing authority of the Export-Import Bank.

The Export-Import Bank up to this time has existed and has operated in order to encourage the exportation of American products to South America. Its sole purpose has been to stimulate our export commerce. This bill is designed to stimulate the export commerce of South America. We have apparently abandoned the original purpose and now propose to say to the people of South America, "Can we not let you have some of the credit, some of the funds produced or to be produced by citizens of the United States in order that you may develop your resources?"

I have read and listened to the arguments for the bill, but I have yet to have pointed out to me under what authority of law this proposed action can be taken. I should like to have the distinguished Senator from New York, the author and supporter of the bill, make it as clear as possible upon what provision of the Constitution of the United States this authority rests. We are proposing to take the money or the credit of citizens of the United States, and to lend it to a foreign government or its citizens. I should like to know upon what constitutional authority such power is to be given. I think all will concede that, if it is not to be found in the Constitution the power does not exist.

Perhaps it may be said we can take this step by virtue of the general-welfare clause. The general-welfare clause, under its more recent interpretation, is very broad, but the Constitution still contains the limitation that taxes shall be levied for the general welfare—of what? Of South America? No. It says "of the United States," and this bill totally omits to mention the United States of America. There will be found from the beginning to the end of this bill no mention of the United States of America or its interests. It is solely concerned with advancing the economic welfare of South America, and it is a proposal to expend money.

Recurring to the constitutional question, the Constitution provides:

> No money shall be drawn from the Treasury but in consequence of appropriations made by law.

I repeat that clause:

> No money shall be drawn from the Treasury but in consequence of appropriations made by law.

We cannot differentiate, as a matter of principle, between the Export-Import Bank lending money and the United States itself lending money. In any event money is to be drawn out of the Treasury of the United States for which there is no appropriation under the law. The Constitution vests in Congress the control of the expenditure of funds as well as the control of the borrowing of funds. It is proposed by this bill to provide as the first step $500,000,000. I should be glad to be satisfied if this is a constitutional delegation of authority. It is no answer to say that we have done the same thing heretofore. It is no answer to be told that the Export-Import Bank has heretofore made loans, because I should like to know upon what authority they made the original loans. With the obligation I have as a Senator, I do not propose to support a bill which takes the money and the credit of the United States and its citizens and sends it abroad unless there is clear authorization for it.

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

Mr. ADAMS. I am very glad to yield.

Mr. BROWN. I understood the Senator to say that loans would be made to the citizens and nationals of South American countries?

Mr. ADAMS. The bill requires a guaranty.

Mr. BROWN. That is the point I desired to bring out. The government of the nation must guarantee the obligation.

Mr. ADAMS. But the loan can be made to a national, and that is a part of the objection I have. Regardless of what the condition may be, I do not know why the money to be raised by cattlemen in Colorado should be loaned to cattlemen in Argentina to enable them to compete in the markets

of the world with the men who furnish the money or the credit.

I am interested in South American welfare, of course, but the welfare of the United States comes first, and we should be very sure that when we are promoting the welfare of South America we are doing benefit, not injury, to the welfare of the United States.

We are spending in this Congress some $15,000,000,000 on a defense program. We are spending upon the defense program alone more than twice the total income of the Government.

The PRESIDING OFFICER (Mr. STEWART in the chair). The time of the Senator from Colorado on the amendment has expired.

Mr. ADAMS. I will take time on the bill.

The argument supporting these vast expenditures always, at some point, reaches the point of saying "we must do this because of South America; we are obligated to defend South America and to drive out of South America any invading European nation. I have not conceded that obligation, but the Congress has appropriated vast funds upon that basis, and I am wondering if we have not done pretty well by South America if we spend $15,000,000,000, in part to protect South America, without adding other billions and then undertake to promote the development of Latin-American resources.

Mr. President, some of us are concerned with the finances of our own Government. I am one of those who sincerely believe that of the dangers which threaten the United States the greatest danger is from financial catastrophe rather than from foreign invasion. We have observed the debt of this country pile up until today it is $45,000,000,000 or more, and we have appropriated or authorized for our defense programs sums which will run into another fifteen or twenty billion dollars. There is hardly a thinking man in the United States who is not uneasy over the financial future of this country. I hear day by day men of both political parties inquiring, "What is to be the end? What is to be the consequence?" I have been among the minority who have been struggling unsuccessfully to try to put the brakes on these expenditures, but they have continued. We do not know which hundred million dollars may be the straw that will break the back of the national financial camel; it may be the $500,000,000 sent to South America will be the ultimate disastrous cause; but, in any event, expenditures are so great that those for the purposes of national defense alone exceed the national income. No Senator would skimp or save so far as the necessities of his country are concerned, but we ought not, in view of the growing debt and increasing expenses, to seek out places for added expenditure. We can well retain the half-billion dollars involved in this expenditure. If we have a half-billion dollars to develop resources and to stabilize economies, I suggest that there is one country in which we might well spend it, and that is in the United States of America. If we have $500,000,000 to spend for the development of resources, we have 2,000,000 men on relief in the United States. We have an unsatisfactory situation in agriculture and in industry. If we can think of spending $500,000,000 in South America, we had better spend it at home; and that is not all.

If we go into South America with our $500,000,000 it will be only the beginning. We cannot go in today and say, "We will stabilize your industry, we will take your cattle, and your corn, and your wool off the market until you get a better price," and stop there. We shall have to add another $500,000,000, and another $500,000,000, and there will be no end to it. If we are seeking good will, we had better stay out the first time. Nothing incurs ill will so much as refusal to continue favors once commenced. As a matter of fact, lending money in excess of ability to pay is one of the best ways to incur enmities, nationally or privately.

Mr. President, the pending amendment definitely limits the matter to essential materials. I think it should be adopted; but I desire to add a few further words.

The end of the war now raging in Europe means what? It means economic discord; it means depression. There can be no question about that. In the United States we shall have a tremendously stimulated industry because of our defense appropriations and expenditures. Europe is destroying its purchasing capacity. When the war is over Europe will be a poorer purchaser of American products than ever. The United States will suddenly cease to manufacture guns and airplanes, and we shall have untold hundreds of thousands of men again seeking employment. We shall have crowded our debt up to 60, 70, or 80 billion dollars; and when that depression comes, as it is sure to come, we shall have weakened our ability to meet the depression by whatever amount we send outside the United States. So I am urging the husbanding of resources, the husbanding of credit, and looking after the needs of the United States first—and we have many needs—rather than going down, on no matter how philanthropic an errand, to South America. I think it is unwise. I think the law does not justify it; and, again, I am not willing to put control of the commerce of the Western Hemisphere in the hands of any one man and take it out of the hands of the Congress. I am not willing to put hundreds of millions of dollars absolutely at the disposal of any man, no matter how able he may be, no matter how patriotic he may be. It is not in accordance with the Constitution. It is an abdication of congressional authority. It is a defiance of the Constitution and the very fundamentals upon which it is based.

So, Mr. President, I cannot support the bill. I know that those who support it are doing so in the utmost good faith. We are told of Nazi subversive activities in South America. I hope they can be stopped. It has yet to be explained, however, how spending this great sum of money in South America will stop them. Among the big businessmen of South America who will profit by these loans will be the very Nazis about whom Senators are talking. They are producing cattle; they are producing wheat; they are the big bankers and the big economic producers of South America. It will be impossible to go down to South America and make loans here and there, in order to benefit the general commercial industry of South America, without benefiting the Nazis in the same locality.

Regardless of that, I do not know how loans to develop South American industry will protect the United States or further the national defense. I know that they will still further extend our credit, and involve us in a course of procedure that is almost unlimited. So I think, finally, we shall make a mistake if we strain the law in order to take the action which is proposed, and strain our credit in doing so.

Mr. BROWN. Mr. President, I desire to take 2 or 3 minutes to reply to some of the assertions which have been made by the able Senator from Colorado [Mr. ADAMS].

As the Senator from Colorado well knows, I share in a considerable degree his apprehension about the financial condition of the United States; but I think the burden of the argument he has just made is based on the assumption that we are spending this money. I think he fails to bring out clearly the fact that we are loaning the money.

In the hearings before the Banking and Currency Committee Mr. Jones stated that he would use banking principles in administering this bill if it should be enacted, that he would confine loans made in South America, as he has heretofore done, to safe loans. I call the attention of the Senator from Colorado and the other Senators who are present to the fact that in recent years I think the world has had a rather impressive lesson in the matter of international integrity in financial arrangements between nations. I have long been convinced that one of the reasons why the people of the United States have not gone further than they have gone in aiding certain countries in Europe, particularly France and Great Britain, was that they did not pay us the money we loaned them in the period of the World War and the period immediately following the war. To me, that lesson is impressive. Considering not only that situation but the situation in regard to Finland, which is a nation that paid us

what it promised to pay us—and we were exceedingly generous with Finland—I think those two instances, the failure of France and Great Britain to pay and the fact that Finland did pay, constitute an impressive lesson for the future.

Mr. ADAMS rose.

Mr. BROWN. If the Senator will bear with me for a moment, I look forward to a time when international obligations will be fulfilled, not because people or nations are perhaps any more honest than they were before, but because they realize that if they are to receive any help in the future they will have to pay their debts. Therefore I come to the conclusion that, generally speaking, we probably shall have a little higher standard of international obligations in the future than we have had in the past.

Therefore, if this bill is administered by Mr. Jones as he says he will administer it, as a banking proposition, in view of the fact that the nations in South America will be dependent for some time in the future upon the good will of the United States, I think we may safely assume that these loans will be safer than loans have been in the past.

I now yield to the Senator from Colorado.

Mr. ADAMS. Mr. President, I call the Senator's attention to some things that I know are in his mind. He points out the situation as it relates to Great Britain and France. They owe to the United States Government money which they have not paid. Almost every South American government owes money to the citizens of the United States; and the debts which are in default from South American governments aggregate nearly $2,000,000,000. I am willing to go along with the Senator and exact integrity from nations and from men; but I cannot see that there is any difference between defaulting in a government obligation to a nation and defaulting in a government obligation to the citizens of a nation.

Mr. BROWN. I do not think the point the Senator makes reaches my argument at all. The loans which were made largely through the National City Bank and similar institutions in the city of New York, and which, as the Senator well knows, were spread about among all the small banks in the United States, were made largely before the defaults occurred, before it was known that France and Great Britain and Germany and all the other European nations were defaulting in their obligations. I think a mistake was made in that respect. I think, however, they were quite largely high-pressure loans. I think American financiers were somewhat more anxious to loan the money than the people of South America were to borrow it.

The Senator speaks of the people of South America. I think those loans were very largely the obligations of the states and local subdivisions of government in Brazil and the Argentine. I think probably more than half the loans were of that character. They have not received any additional loans; and I think that very fact will lead them to the conviction that hereafter they will have to live up to their obligations if they are to get anything from the United States.

Mr. President, to me the justification for these loans has been very well expressed by the senior Senator from New York, the chairman of the Committee on Banking and Currency, but lest we overlook it, I repeat, I think, considering the present economic condition of the United States, of Europe, and of South America, considering that South America-European trade is practically nil, considering that we have long endeavored to sell our machinery, equipment, and manufactured materials to South America, that it is a wise thing for the Government of the United States to provide means of financing such sales. After all is said and done, that is what the bill proposes to do.

The figures show that, of the loans which have been made to South American governments, a total of $62,800,000, the borrowers have already repaid $40,000,000, or over two-thirds, and I do not understand that there is any material default in South America at the present time, if there is any at all.

Therefore, Mr. President, I desire to add my voice to that of the chairman of the committee, and urge upon the Senate the adoption of what I consider to be a very reasonable amendment to the Export-Import Bank Act.

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

Mr. BROWN. I yield.

Mr. ADAMS. Am I correct in my understanding that the total export business from the United States to South American countries in recent years has been in the aggregate approximately $300,000,000?

Mr. BROWN. I really am not in a position to give the Senator information on that subject. I have no doubt the figure he states is correct.

Mr. ADAMS. I think the figure is correct, and I was questioning the expenditure of $500,000,000 on a relatively small export business.

Mr. BROWN. Certainly, with the sources of machinery, equipment, and like materials in Europe cut off from South America, it is wise now to advance sums of money to South America to enable our manufacturing establishments to sell additional manufactured equipment to the Latin American nations.

Mr. WAGNER. Our exports to South America have reached a point in excess of $600,000,000.

Mr. BROWN. That was the figure I had in mind.

The PRESIDING OFFICER. The time of the Senator from Michigan on the amendment has expired.

Mr. BROWN. I will take a little time on the bill.

Mr. TAFT. Let me say to the Senator from New York that those exports include all the exports to Central America as well.

Mr. WAGNER. Yes.

Mr. BROWN. Of course, the provisions of the bill would be of benefit to Central America as well as South America. It makes very little difference to us where the goods go, whether to South America or Central America.

Finally, the argument which appeals to me most forcefully in connection with the pending bill is that it is good judgment upon the part of the American people to do things which will make the people of South America our friends. We need friends at the present time. If all that has been said in the debate on the conscription bill is true, the expenditure of the sum of money proposed, even if it were lost—and I think very little of it will be lost—would be of great benefit to the people of the United States.

SELECTIVE COMPULSORY MILITARY SERVICE—CONFERENCE REPORT

During the delivery of Mr. BROWN's speech,

Mr. SHEPPARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Texas?

Mr. BROWN. I do.

Mr. SHEPPARD. On behalf of the Committee on Military Affairs, I ask permission to file a report after the adjournment of the Senate.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANAHER. Mr. President——

Mr. SHEPPARD. I also ask that the Senator from South Dakota [Mr. GURNEY] be added to the conferees on the part of the Senate on the selective-service bill.

Mr. DANAHER. Just a minute, Mr. President. I ask for recognition on the last point.

The PRESIDING OFFICER. Objection may be heard. Does the Senator from Michigan yield to the Senator from Connecticut?

Mr. BROWN. Would the Senator as soon let me take 2 or 3 more minutes now? I have just been requested to go into the Finance Committee, where I think I should be, and I should like to conclude in about 2 minutes. Then I shall have some more time, and I will yield it to the Senator from Connecticut.

Mr. DANAHER. Let me say to the Senator, if he will, please, that the Chair purports, at least, to have declared a ruling, and I was calling "Mr. President" all during the course of the ruling. I do not want to have that stand as an order; that is all. If the Chair will vacate the ruling——

The PRESIDING OFFICER. The Chair stated that in the absence of objection it would be so ordered. If the Senator desires to object, the order will not be made.

Mr. DANAHER. Reserving the right to object, I wish to ask a question. That is all I rose for. I do not want to intrude on the time of the Senator from Michigan; and, with the indulgence of the Senator from Texas, I will withhold the question for a moment or two.

I thank the Senator.

After the conclusion of Mr. BROWN's speech,

Mr. SHEPPARD. Mr. President, I renew my request that the conferees on the part of the Senate on the conscription bill be given permission to file a report after the session of the Senate today, if it should not be ready before the Senate concludes its business for the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHEPPARD. I also ask that the junior Senator from South Dakota [Mr. GURNEY] be added to the conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPANSION OF LENDING AUTHORITY OF EXPORT-IMPORT BANK

The Senate resumed the consideration of the bill (S. 4204) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. ANDREWS. Mr. President, coming from a State in this Union which for over 2 centuries formed an important part of the Spanish-American colonial holdings in the Western Hemisphere, I feel that I am in a position to know some of the factors which should go toward forming a better relationship and understanding, economically and otherwise, between the United States and the 21 Latin American republics to the south.

On July 22 last, on the eve of the Habana Conference, I spoke over the National Broadcasting System on the subject of the economic defense of the Western Hemisphere. Because of their timeliness in the present debate I should like to restate some of the remarks I made at that time.

Since 1932 a wasting disease has settled upon Europe, a disease which is slowly destroying the minds, morals, and religion of mankind. If unchecked and allowed to spread to our hemisphere, this disease of world oppression may check the advancement of civilization itself. The three European "isms" have now combined to lay waste and seize not only all of Europe, but may include part or all of the Western Hemisphere as well.

As a lifelong resident of the State of Florida, and as United States Senator from that State, I have for many years been interested in cementing a closer relationship between Latin America and the United States. Because Florida was settled by Latins some 375 years ago, there is a closer bond between Latin America and Florida than between Latin America and any other State of our Union. It is not generally known, but all North America was shown on the maps of the then known world for many decades under the name "Florida," which then belonged to Spain.

I have the greatest respect and admiration for the people, our good neighbors, who inhabit the central and southern parts of this hemisphere. For the most part they are descendants of those people who, like our own pioneers, left Europe to find a new life in a new world where economic and political liberty and religious freedom were won and thereafter accepted as a matter of course.

I feel that these people of the Americas, whose high ideals, honor, and integrity are so well known to us, realize the danger of economic dealings with Germany and Italy, for such dealings can only result in economic, political, religious, and cultural slavery as the price of appeasement. I sincerely believe that, irrespective of the gilded promises of temporary advantage offered by the European aggressors, the people of Latin America will nevertheless join in a cooperative pact with the United States of America, their good neighbor.

Recent events in Europe have taught us that military defense is essential but not enough in this changing world. Economic methods must be immediately used not only to defend our Latin American neighbors from European aggression, but to protect us all from the economic strangulation which would result from the Nazi-Fascist system in Europe controlling the economic life of the Americas.

It is true that we in the United States are spending over $10,000,000,000 on military rearmament. However, at the same time we should be spending large sums for economic rearmament, for only by a combination of economic and military rearmament can we successfully prevent European aggression. The history of the progress of civilized man clearly reveals that economic security is the keystone in the arch of man's social welfare and contentment.

An integrated and centralized economy will soon exist in Nazi-dominated Europe containing 400,000,000 people. The majority of the people of Europe may become vassals, and by cheap labor, under government subsidization, they will be able to undersell us in the Americas, and thus strangle our mutual trade.

Many arguments can be given for and against strict nationally controlled trade, but we are living today in a world which leaves little time for quibbling over ideological abstractions and theories. Concepts of foreign trade which were valid yesterday are completely out of date today. Before we become enmeshed in a welter of economic argument, during which time we may lose our Latin American trade and the Latin American countries may lose their economic, political, religious, and cultural freedom, we should take some definite step to at least partially solve our hemisphere problem.

Unfortunately in the past we have not given enough attention to buying from Latin America; we have been too busy selling. To illustrate, last year we paid $180,000,000 for rubber from far eastern and African markets and purchased practically no rubber from Brazil where this product first was found years ago. Those markets in Africa and in the far eastern countries are now cut off, and it is time we undertook to buy needed rubber from Brazil, a country nearer to us.

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

Mr. ANDREWS. I yield.

Mr. ADAMS. I merely wish to call the Senator's attention to the fact—and the Senator from Georgia [Mr. RUSSELL] I think will bear me out—that recently the Congress appropriated a very substantial sum of money for investigation and development of tropical products, such as rubber, in the Americas. I remember that either in connection with the deficiency measure, or in connection with the bill which was before the subcommittee presided over by the Senator from Georgia, a substantial amount of money was provided for the purpose of developing rubber production in Central and South America.

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

Mr. ANDREWS. I yield.

Mr. RUSSELL. A considerable sum was not only appropriated for the purpose of developing tropical agriculture, but for a number of other purposes. As I recall, appropriations were made for the Civil Aeronautics Authority, for the State Department to distribute various literature, and to enable students in South American countries to come here, in addition to substantial appropriations for a survey of timber resources in South America, and for the encouragement of the producers of rubber, quinine, and other tropical products.

Mr. ANDREWS. I thank the Senator from Colorado and the Senator from Georgia for their contributions. The suggestion I make is along the line which is being followed in connection with the item of appropriation to which reference has just been made.

Mr. President, we purchase $50,000,000 worth of tin from the mines in the Orient when the largest tin mine in the world is located in Bolivia. We need many strategic materials and have imported them from far-off countries in spite of the fact that these strategic materials exist in abundance in Latin America.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The Chair is constrained to advise the Senator from Florida that his time on the amendment has expired.

Mr. ANDREWS. I will take time on the bill. I desire only 3 or 4 more minutes.

The nations of the Western Hemisphere combined have a tremendous bargaining power. By placing this power under one leadership we can effectively stalemate aggressors in their attempts to secure a foothold on this hemisphere, and in addition help alleviate the economic condition of the conquered peoples in Europe.

It is axiomatic that the higher the standard of living in all the Americas the more certain we are of a self-sustaining Western Hemisphere. Some economists have urged a modified stamp plan for Latin America, similar to our surplus commodities stamp plan, in order to raise the standard of living in Latin America. Others have suggested the same result could be obtained by the manufacture in Latin America of consumer goods which were formerly imported from Europe which do not compete with manufactured products of the United States.

The United States is the richest nation in the world. We are rich in raw materials, rich in gold, and rich in a people whose ideals, initiative, fair dealing, and business ability have built this country into the greatest democracy in the history of mankind. With all the technical and economic information we possess it should be possible immediately to place a plan in operation which would keep any foreign economic dictatorship out of this hemisphere.

There is one important matter I should like to bring to the attention of the Senate at this time, and that is the recent splendid appointment by the President of Nelson Rockefeller as Coordinator of Commercial and Cultural Relations between the American republics. It is my understanding that Mr. Rockefeller will have much to say concerning the use of the money included in the pending bill.

Although young in years, Nelson Rockefeller already has a background of sound business experience, and it is comforting to know that men with business training, such as Jesse Jones and Nelson Rockefeller, instead of theorists, are to be in charge of our dealings with Latin America. Leaving an important place in the business world, Nelson Rockefeller came to Washington to accept Government service at $1 a year. His action should be an example to other businessmen who seek only to criticize the Government instead of offering to help. Other noted men of this country have done as Mr. Rockefeller has done. It is a good sign.

I trust the bill, as it is now framed, will receive approval of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Ohio [Mr. TAFT].

Mr. HALE rose.

Mr. WAGNER. Mr. President, does the Senator rise to suggest the absence of a quorum?

Mr. HALE. Yes.

Mr. WAGNER. I should like to say one word before that is done, with the Senator's permission. I do not wish to impose on the Senate's time any longer in discussing the merits of the legislation, because I discussed the measure day before yesterday and yesterday, and attempted to state the reasons for the program at that time. I simply wish to say that it is very clear, from my main statement, that the proposed amendment would largely defeat the purposes of the legislation.

I rise now simply to read into the RECORD letters received by me from Mr. Jesse Jones in reference to surplus agricultural commodities. Certain objections have been made, although I myself have repeated over and over again, that whatever transactions were to be had with reference to surplus agricultural commodities, would be made in order to protect the farmers of our country.

Mr. Jones writes:

> While it is not contemplated that loans would be made on surplus agricultural commodities—
>
> It is not contemplated as a general proposition at all—
>
> appropriate consideration would be given to applications from some of the governments or their central banks for loans in reasonable amounts that might enable the government or its banks to assist their nationals in the carrying and orderly marketing of some of their agricultural surpluses, with a view to avoiding demoralized prices that would affect our own farmers. No such loan would be considered that appeared to the officers and directors of the bank to be inimical to our own agricultural interests.

Mr. TAFT. Mr. President, will the Senator yield? I should like to read a comment appearing in the New York Times on that very statement made by Mr. Jesse Jones.

Mr. WAGNER. I should like to read another letter from Mr. Jones.

Mr. TAFT. The Times says:

> In other words, while it is not contemplated that loans would be made on surplus agricultural commodities, it is contemplated that loans would be made on surplus agricultural commodities.

Mr. WAGNER. I do not know what authority the New York Times has for making that statement. Mr. Jones himself, I should say, would be a more reliable authority.

Mr. TAFT. The New York Times quotes Mr. Jones' letter, the very letter the Senator has just read, and in commenting on the logical conclusion to be drawn from Mr. Jones' remarks says what I have just quoted.

Mr. WAGNER. Anyone can draw whatever conclusions are desired to be drawn. I have before me an editorial printed in the Cincinnati Enquirer of August 9, a newspaper published in the Senator's own city and State, which comments rather severely upon the minority report filed by the Senator; but I shall not read it, because I think it is rather extreme in its criticism. That editorial would show the other side of the question.

Mr. Jones wrote me the following letter, dated yesterday:

> In view of some of the debate in relation to S. 4204, now under consideration by the Senate, I think it appropriate that I should again say that the present legislation is no part of any cartel plan, or of any scheme or program, of hemispheric or international price control of farm products.
>
> I should also like to say again that I would oppose the approval of any loan under the proposed act which would, in my judgment, be inimical to the agricultural interests or any other interests in this country.
>
> Sincerely yours,
>
> JESSE H. JONES,
> *Administrator.*

Mr. President, I take it that we are prepared to vote upon the modified amendment of the Senator from Ohio. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Davis	King	Reed
Andrews	Downey	La Follette	Reynolds
Ashurst	Ellender	Lee	Russell
Austin	George	Lodge	Schwartz
Bailey	Gerry	McCarran	Schwellenbach
Barkley	Gibson	McKellar	Sheppard
Bilbo	Gillette	McNary	Smathers
Brown	Green	Maloney	Stewart
Bulow	Gurney	Mead	Taft
Burke	Hale	Miller	Thomas, Idaho
Byrd	Harrison	Minton	Thomas, Okla.
Byrnes	Hatch	Murray	Thomas, Utah
Capper	Hayden	Neely	Townsend
Chandler	Herring	Norris	Vandenberg
Clark, Idaho	Hill	Nye	Wagner
Clark, Mo.	Hughes	Overton	Walsh
Connally	Johnson, Calif.	Pepper	White
Danaher	Johnson, Colo.	Pittman	Wiley

The PRESIDING OFFICER. Seventy-two Senators have answered to their names. A quorum is present. The question is on agreeing to the modified amendment offered by the Senator from Ohio [Mr. TAFT] to the amendment reported by the committee.

Mr. ADAMS. Mr. President, will the Senator yield for an inquiry?

Mr. TAFT. I yield.

Mr. ADAMS. Day before yesterday or yesterday I made an inquiry of the Senator with reference to the wording of his amendment. I was disturbed by the word "appreciable." The loans are proposed to be made only with respect to products which are not produced in the United States "in appreciable quantities." It seems to me that language would practically exclude loans because appreciable quantities of many such

products are produced in the United States. I wonder if the Senator will consider a modification so as to read:

Which are not produced in the United States in quantities reasonably adequate to meet the requirements of commerce and industry in the United States.

Mr. TAFT. I am willing to accept that modification. It is satisfactory to me.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Ohio [Mr. TAFT] to the amendment reported by the committee.

Mr. TAFT. Mr. President, I ask for the yeas and nays on my amendment.

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

Mr. McNARY (when his name was called). On this amendment I have a pair with the senior Senator from Alabama [Mr. BANKHEAD]. I am advised that if he were present he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. NORRIS (when his name was called). On this vote I am paired with the junior Senator from Pennsylvania [Mr. GUFFEY]. If I were permitted to vote, I should vote "yea." If the Senator from Pennsylvania were present, he would vote "nay."

Mr. NYE (when his name was called). Upon this amendment I have a pair with the senior Senator from Illinois [Mr. LUCAS]. If he were present, he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. STEWART (when his name was called). I have a general pair with the junior Senator from Oregon [Mr. HOLMAN], which I transfer to the Senator from New Mexico [Mr. CHAVEZ], and will vote. I vote "nay."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Wyoming [Mr. O'MAHONEY], and will vote. I vote "nay."

Mr. WILEY (when his name was called). I have a pair with the senior Senator from Indiana [Mr. VAN NUYS]. I understand that if he were present he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Hampshire [Mr. TOBEY], who would vote "yea," with the Senator from Virginia [Mr. GLASS], who would vote "nay";

The Senator from North Dakota [Mr. FRAZIER], who would vote "yea," with the Senator from Maryland [Mr. TYDINGS], who would vote "nay";

The Senator from Minnesota [Mr. SHIPSTEAD], who would vote "yea," with the Senator from Missouri [Mr. TRUMAN], who would vote "nay"; and

The Senator from West Virginia [Mr. HOLT], who would vote "yea," with the Senator from New Jersey [Mr. BARBOUR], who would vote "nay."

I announce the necessary absence of the Senator from New Hampshire [Mr. BRIDGES], who if present would vote "yea."

Mr. MINTON. I announce that the Senator from Arkansas [Mrs. CARAWAY], the Senator from Iowa [Mr. HERRING], and the Senator from Montana [Mr. WHEELER] are absent because of engagements in Government departments.

The Senator from Washington [Mr. BONE], and the Senator from West Virginia [Mr. HOLT] are absent because of illness.

The Senator from Maryland [Mr. RADCLIFFE] is necessarily absent. If present he would vote "nay."

The Senator from Arizona [Mr. ASHURST], the Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Illinois [Mr. SLATTERY], the Senator from South Carolina [Mr. SMITH], the Senator from Missouri [Mr. TRUMAN], the Senator from Maryland [Mr. TYDINGS], and the Senator from Indiana [Mr. VAN NUYS] are necessarily absent.

The result was announced—yeas 25, nays 41, as follows:

YEAS—25

Adams	Danaher	Johnson, Calif.	Thomas, Idaho
Austin	Davis	Johnson, Colo.	Townsend
Bulow	George	La Follette	Vandenberg
Burke	Gibson	Lodge	White
Byrd	Gillette	McCarran	
Capper	Gurney	Reed	
Clark, Mo.	Hale	Taft	

NAYS—41

Andrews	Gerry	Mead	Schwellenbach
Bailey	Green	Miller	Sheppard
Barkley	Harrison	Minton	Smathers
Bilbo	Hatch	Murray	Stewart
Brown	Hayden	Neely	Thomas, Okla.
Byrnes	Hill	Overton	Thomas, Utah
Chandler	Hughes	Pepper	Wagner
Clark, Idaho	King	Pittman	Walsh
Connally	Lee	Reynolds	
Downey	McKellar	Russell	
Ellender	Maloney	Schwartz	

NOT VOTING—29

Ashurst	Frazier	Norris	Truman
Bankhead	Glass	Nye	Tydings
Barbour	Guffey	O'Mahoney	Van Nuys
Bone	Herring	Radcliffe	Wheeler
Bridges	Holman	Shipstead	Wiley
Caraway	Holt	Slattery	
Chavez	Lucas	Smith	
Donahey	McNary	Tobey	

So Mr. TAFT's modified amendment to the amendment reported by the committee was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, informed the Senate that Hon. SAM RAYBURN, a Representative from the State of Texas, had been elected Speaker pro tempore during the absence of the Speaker of the House.

The message 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. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce.

ENROLLED BILLS SIGNED

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

S. 2009. An act to amend the act to regulate commerce, approved February 4, 1887, as amended, so as to provide for unified regulation of carriers by railroad, motor vehicle, and water, and for other purposes; and

S. 4008. An act to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals which in the opinion of the Corporation would be of value to the United States in time of war, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral development purposes.

EXPANSION OF LENDING AUTHORITY OF EXPORT-IMPORT BANK

The Senate resumed the consideration of the bill (S. 4204) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. DANAHER. Mr. President, I send to the desk an amendment which I offer at this time and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 3, line 25, after the word "nationals", it is proposed to insert the following:

Provided, That the aggregate amount of loans to any one foreign country and the agencies and nationals thereof which are hereafter authorized to be made and are outstanding at any one time shall not exceed $50,000,000, and such amount shall be in addition to the amount of loans heretofore authorized or made to such foreign country and the agencies and nationals thereof.

Mr. DANAHER. Mr. President, this amendment requires a brief explanation. The law contains and will contain, until the time when this measure shall be enacted, a limitation of $20,000,000 on loans to any one country. If the

pending bill shall pass, however, that $20,000,000 limitation will be repealed. The language of the amendment in every other respect is identical with the existing law except that the limit is raised from $20,000,000 to $50,000,000 of loans to any one country.

Having in mind the explanation offered by the Senator from New York and other proponents of the bill, reasonable limitations meeting the very objections that have been voiced on this floor demand that we place some ceiling upon the extent to which the otherwise untrammeled discretion of the administrator might go. The Congress, it would seem very properly, ought to expend the public money within certain limitations, at least. Consequently, if we place a ceiling or a maximum of $50,000,000 on loans to any one country, we will be carrying out the spirit of the existing law, and more than doubling the enabling provisions of the existing law.

Mr. BARKLEY. Mr. President, will the Senator from Connecticut yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. There are 20 of these various republics. Some of them are very small, and, in all probability, would not request very large sums of money in the way of loans; others of them are large, extensive countries, as large as or larger than the United States, and, while the amendment offered by the Senator might be adequate for the smaller countries, it seems to me that it might be wholly inadequate for a larger country such as Brazil or Argentina or some of the other Latin American republics. I should say that as many as half the 20 republics might possibly need more money, while others of them might not need anything and would not apply for it. It seems to me in dealing with this situation each country must be considered on its own basis and its own merit. I think any amendment of the kind offered by the Senator from Connecticut would throttle the Export-Import Bank, so that, no matter what the needs might be of a large country where there might be many opportunities for making loans to mutual advantage, they would be restricted to the amount set out in the amendment.

Mr. DANAHER. Let me say briefly to the Senator from Kentucky that, apparently, the larger the country the greater the debt which is owed to us by that country at the present time. In other words, they have already demonstrated, in a large way, that their credit with us ought to be limited.

I can think of no better answer for the Export-Import Bank to make to the importunities of such countries than to be able to say, "Congress has tied our hands; Congress, representing the people of the United States, says that no country shall have an aggregate of more than $50,000,000 outstanding, because, by experience, you have shown you are not entitled to an amount of money in any greater sum."

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

Mr. DANAHER. I yield.

Mr. BARKLEY. If the Export-Import Bank wanted to have its hands tied, it would have said so before the committee and it would have said so in the bill which was prepared under its jurisdiction. Furthermore, I may suggest to the Senator, since he refers to the $1,600,000,000 of debts of South American political subdivisions and private corporations held in the United States, that on a billion dollars of that indebtedness payments are being made. Of course the Senator realizes that that indebtedness was created and those securities were floated in this country at a time when the financial advisers of the American people were holding out the hope and almost the positive assertion that prosperity was perpetual, and that there never would be a time in the future when the American people would suffer from any want or depression, or from any decline in the value of securities. I am sure that if the people of the United States had known at that time what the future held for them, they not only would not have invested $1,600,000,000 in Latin American securities, but they would not have invested tens of billions of dollars even in securities at home which have declined in value, and on some of which there has been repudiation.

Mr. DANAHER. The Senator from Kentucky—fallacious in the extreme in this particular case, although very often I regard his judgment as controlling, as my votes will show—has indicated that because the Export-Import Bank did not write legislation and send here a bill the way it wanted it, we have to take this particular language. Surely we are still writing the legislation in this country.

Mr. BARKLEY. If the Senator will yield—the Senator is twisting what I said, unintentionally of course. My remark was made in reply to his suggestion that the bank itself might want to have its hands tied, so that if applications were made to it for loans beyond $50,000,000 it could say, "Congress has tied our hands." I said that if the bank had wanted its hands tied it would have said so and would not have left the matter up to Congress.

Mr. DANAHER. With that explanation, we understand that there is a reconciliation of viewpoint that far.

With reference to the rest of the Senator's argument, surely the Congress has not only the right but in this particular instance the duty and the definite obligation not to take money of the American taxpayers and turn it over to one administrator or two or three administrators and give him or them unlimited discretion as to where those funds are to be placed. The very fact that there is a depression is all the more reason why American moneys to the tune of $500,000,000 should not be taken from our taxpayers and turned over to South American countries without limit.

Mr. President, when Mr. Jesse Jones was before our committee in February we had up the matter of doubling the capital of the Export-Import Bank, raising it from $100,000,000 to $200,000,000. At that time Mr. Jones himself suggested the limitation. He was the one who thought there ought to be a limitation. Let me say to the Senate that at that time, as a result of the hearings and of his testimony, we put in the limitation of not to exceed $20,000,000 of loans to any one country outstanding at any one time. In other words, I am seeking to restore to this particular bill identically the same sort of limitation that Mr. Jones himself said ought to be in it, and which we wrote into it in February, the only difference being that instead of limiting loans to $20,000,000 I make the limit $50,000,000 in the generosity with which I am disposing of the American taxpayers' money. But, Mr. President, I certainly think we ought to have a ceiling on the activities of the Export-Import Bank and its advisers, and that the American people, speaking through us, ought to know to what extent their once-misplaced faith in those people can be abused. At least we should place a limitation on it.

Mr. WAGNER. Mr. President, I hope the amendment will be rejected. I think it would be an unwise thing to do at this time. We do not know the exact demands that may be made on the bank. It may require no more than $50,000,000 in most cases, but an emergency may arise requiring more than $50,000,000 to any one country. Another difficulty with the amendment is that it may give each country the impression or feeling that a general division is contemplated, each to get up to $50,000,000. That would be unfortunate. The matter should be left entirely to sound and wise administration by the bank.

Mr. ADAMS. Mr. President, when the Congress abdicates its function and turns over to agents the expenditure of this money, I do not think the Senator from Connecticut should seek to put any limitation on the agents who determine the policies and the amounts that may be loaned.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER] to the amendment reported by the committee.

Mr. DANAHER. On that question I ask for the yeas and nays.

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

Mr. McNARY (when his name was called). Making the same announcement as before of my pair with the Senator from Alabama [Mr. BANKHEAD], I am informed that if he

were present he would vote "nay." If I were at liberty to vote I should vote "yea." I withhold my vote.

Mr. STEWART (when his name was called). I have a general pair with the Senator from Oregon [Mr. HOLMAN]. I transfer that pair to the Senator from New Mexico [Mr. CHAVEZ], and will vote. I vote "nay."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Wyoming [Mr. O'MAHONEY], and will vote. I vote "nay."

Mr. WILEY (when his name was called). On this question I have a pair with the senior Senator from Indiana [Mr. VAN NUYS], and therefore withhold my vote. If the Senator from Indiana were present, he would vote "nay," and if I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. MINTON. I announce the necessary absence of the Senator from West Virginia [Mr. HOLT] and the Senator from Washington [Mr. BONE] because of illness.

Mr. McNARY. I am advised that, if the Senator from New Jersey [Mr. BARBOUR] were present, he would vote as I am about to vote. Therefore I transfer my pair to him, and will vote. I vote "yea."

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Hampshire [Mr. TOBEY], who would vote "yea," with the Senator from Virginia [Mr. GLASS], who would vote "nay";

The Senator from North Dakota [Mr. FRAZIER], who would vote "yea," with the Senator from Maryland [Mr. TYDINGS]; and

The Senator from Minnesota [Mr. SHIPSTEAD], who would vote "yea," with the Senator from Missouri [Mr. TRUMAN], who would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], if present, would vote "yea."

The Senator from North Dakota [Mr. NYE] is unavoidably detained. He has a pair with the Senator from Illinois [Mr. LUCAS]. If present, the Senator from North Dakota would vote "yea" and the Senator from Illinois would vote "nay."

Mr. MINTON. I announce the necessary absence of the Senator from Arizona [Mr. ASHURST], the Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Pennsylvania [Mr. GUFFEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from South Carolina [Mr. SMITH], the Senator from Missouri [Mr. TRUMAN], the Senator from Maryland [Mr. TYDINGS], and the Senator from Indiana [Mr. VAN NUYS].

The Senator from Georgia [Mr. GEORGE] and the Senator from Utah [Mr. KING] are detained in the Committee on Finance.

The Senator from Arkansas [Mrs. CARAWAY] is detained in one of the Government departments. I am advised that, if present and voting, she would vote "nay."

The result was announced—yeas 22, nays 47, as follows:

YEAS—22

Adams	Danaher	Lodge	Thomas, Idaho
Austin	Davis	McCarran	Townsend
Bulow	Gibson	McNary	Vandenberg
Burke	Gurney	Reed	White
Byrd	Hale	Russell	
Capper	Johnson, Calif.	Taft	

NAYS—47

Andrews	Gerry	McKellar	Reynolds
Bailey	Gillette	Maloney	Schwartz
Barkley	Green	Mead	Schwellenbach
Bilbo	Harrison	Miller	Sheppard
Brown	Hatch	Minton	Smathers
Byrnes	Hayden	Murray	Stewart
Chandler	Herring	Neely	Thomas, Okla.
Clark, Idaho	Hill	Norris	Thomas, Utah
Clark, Mo.	Hughes	Overton	Wagner
Connally	Johnson, Colo.	Pepper	Walsh
Downey	La Follette	Pittman	Wheeler
Ellender	Lee	Radcliffe	

NOT VOTING—26

Ashurst	Donahey	King	Tobey
Bankhead	Frazier	Lucas	Truman
Barbour	George	Nye	Tydings
Bone	Glass	O'Mahoney	Van Nuys
Bridges	Guffey	Shipstead	Wiley
Caraway	Holman	Slattery	
Chavez	Holt	Smith	

So Mr. DANAHER's amendment to the amendment reported by the committee was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. WAGNER. Mr. President, I now move that the Senate proceed to the consideration of House bill 10361, Calendar No. 2141.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 10361) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. WAGNER. Mr. President, I move that all after the enacting clause of the bill be stricken out, and that there be substituted therefor the provisions of Senate bill 4204 as amended.

Mr. TAFT. Mr. President, I do not object to the substitution of the Senate amendment for the bill which passed the House, but I desire to call the attention of the conferees, in case the bill shall go to conference, to two very important differences in the bill. The House did not insert the exception which provided that the proposed legislation should not affect the Johnson Act or the Neutrality Act. Under the bill as it passed the House the legislation would supersede those acts, and loans could be made in violation of the acts.

In the second place, the House has added, entirely apart from the question we have been discussing, a billion dollars to the borrowing power of the R. F. C. I do not think either of those things should be agreed to by our conferees without consulting the Senate, when that question arises. With this statement, I have no objection to the substitution.

Mr. WAGNER. I understand the differences between the measures.

The PRESIDING OFFICER. The question is on the motion of the Senator from New York, that all after the enacting clause of the pending bill be stricken out and that there be inserted the provisions of Senate bill 4204 as amended.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

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

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

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from North Dakota [Mr. FRAZIER] and will vote. I vote "nay."

Mr. STEWART (when his name was called). Making the same announcement as before with respect to my pair with the Senator from Oregon [Mr. HOLMAN] and its transfer to the Senator from New Mexico [Mr. CHAVEZ], I vote "yea."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from Wyoming [Mr. O'MAHONEY] and will vote. I vote "yea."

Mr. WILEY (when his name was called). I have a pair with the senior Senator from Indiana [Mr. VAN NUYS], who is absent. If he were present he would vote "yea." If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. BYRD. My colleague the senior Senator from Virginia [Mr. GLASS] is unavoidably absent. Were he present, he would vote "yea."

Mr. MINTON. The Senator from West Virginia [Mr. HOLT] and the Senator from Washington [Mr. BONE] are detained by sickness.

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Hampshire [Mr. TOBEY], who would vote "nay," with the Senator from Virginia [Mr. GLASS], who would vote "yea";

The Senator from Minnesota [Mr. SHIPSTEAD], who would vote "nay," with the Senator from Missouri [Mr. TRUMAN], who would vote "yea";

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Maryland [Mr. TYDINGS], who would vote "nay";

The Senator from North Dakota [Mr. NYE], who would vote "nay," with the Senator from Illinois [Mr. LUCAS], who would vote "yea"; and

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. FRAZIER] would vote "nay" if present and voting.

Mr. MINTON. I announce the necessary absence of the Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. GUFFEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Missouri [Mr. TRUMAN], and the Senator from Indiana [Mr. VAN NUYS].

I am advised that if present and voting these Senators would vote "yea."

The Senator from Arkansas [Mrs. CARAWAY] is in a conference in one of the Government departments. I am advised she would vote "yea" if present.

The Senator from Utah [Mr. KING] is detained in a committee meeting.

The Senator from Maryland [Mr. TYDINGS] is unavoidably detained. I am advised that if present and voting he would vote "nay."

The Senator from Arizona [Mr. ASHURST], the Senator from Ohio [Mr. DONAHEY], and the Senator from South Carolina [Mr. SMITH] are necessarily absent.

The result was announced—yeas 43, nays 27, as follows:

YEAS—43

Andrews	Gerry	Mead	Schwartz
Bailey	Green	Miller	Schwellenbach
Barkley	Harrison	Minton	Sheppard
Bilbo	Hatch	Murray	Smathers
Brown	Hayden	Neely	Stewart
Byrnes	Hill	Norris	Thomas, Okla.
Chandler	Hughes	Overton	Thomas, Utah
Clark, Idaho	La Follette	Pepper	Wagner
Connally	Lee	Pittman	Walsh
Downey	McKellar	Radcliffe	Wheeler
Ellender	Maloney	Reynolds	

NAYS—27

Adams	Danaher	Herring	Russell
Austin	Davis	Johnson, Calif.	Taft
Bulow	George	Johnson, Colo.	Thomas, Idaho
Burke	Gibson	Lodge	Townsend
Byrd	Gillette	McCarran	Vandenberg
Capper	Gurney	McNary	White
Clark, Mo.	Hale	Reed	

NOT VOTING—25

Ashurst	Donahey	Lucas	Truman
Bankhead	Frazier	Nye	Tydings
Barbour	Glass	O'Mahoney	Van Nuys
Bone	Guffey	Shipstead	Wiley
Bridges	Holman	Slattery	
Caraway	Holt	Smith	
Chavez	King	Tobey	

So the bill (H. R. 10361), as amended, was passed, as follows:

Be it enacted, etc., That section 9 of the act of January 31, 1935 (49 Stat. 4), as amended, is hereby amended (a) by striking out "June 30, 1941" and inserting in lieu thereof "January 22, 1947", (b) by striking out "$200,000,000" and inserting in lieu thereof "$700,000,000", (c) by striking out the second proviso thereof, and (d) by inserting at the end thereof the following new paragraph:

"In order to assist in the development of the resources, the stabilization of the economies, and the orderly marketing of products of the countries of the Western Hemisphere, the Export-Import Bank of Washington is authorized, upon the written request of the Federal Loan Administrator with the approval of the President, subject to such conditions and limitations as may be set forth in such request or approval, to make loans to any governments or to their central banks or to other acceptable banking institutions and, when guaranteed by any such government or a central bank or other acceptable banking institution, to a political subdivision, agency, or national of any such government, notwithstanding any other provisions of this section insofar as they may restrict or prohibit loans or other extensions of credit to, or other transactions with, the governments of the countries of the Western Hemisphere or their agencies or nationals: *Provided*, That no such loans shall be made in violation of international law as interpreted by the Department of State, or of the act of April 13, 1934 (48 Stat. 574), or of the Neutrality Act of 1939. Such loans may be made and administered in such manner and upon such terms and conditions as the Export-Import Bank of Washington may determine. The Reconstruction Finance Corporation is authorized to supply such bank with funds for such purposes, in an aggregate amount not to exceed $500,000,000 outstanding at any one time, through loans to or by subscriptions to the preferred stock of such bank."

SEC. 2. The aggregate amount of notes, bonds, debentures and other such obligations which the Reconstruction Finance Corporation is authorized to issue and have outstanding at any one time under the provisions of law in force on the date of enactment of this act is hereby increased by $500,000,000.

The PRESIDING OFFICER. Without objection, Senate bill 4204 will be indefinitely postponed.

Mr. WAGNER. Mr. President, I move that the Senate insist on its amendment, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WAGNER, Mr. GLASS, Mr. BARKLEY, Mr. BYRNES, Mr. TOWNSEND, and Mr. FRAZIER conferees on the part of the Senate.

AMENDMENT OF THE AGRICULTURAL ADJUSTMENT ACT

Mr. GILLETTE. Mr. President, I move that the Senate proceed to the present consideration of Senate bill 3426, Calendar No. 1800.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The bill will be read by its title for the information of the Senate.

The LEGISLATIVE CLERK. The bill (S. 3426), to amend the Agricultural Adjustment Act, as amended, and as reenacted by the Agricultural Marketing Agreement Act of 1937, as amended.

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

Mr. GILLETTE. I yield.

Mr. MILLER. I merely wanted to ask the Senator from Iowa if he would not agree to postpone that motion until tomorrow, for the following reason: The Senator from Georgia [Mr. GEORGE] has given a great deal of consideration to the bill and is opposed to it. He is not able to be present at this time as he is in attendance on the Finance Committee. I spoke to him a while ago and I know he would like to be present when the bill is taken up for consideration. I am opposed to some sections of the bill. The Senator from Georgia would like to have the bill go over until tomorrow in order that he may be present when it is taken up for consideration. I understand there are some other matters which may be disposed of this afternoon, which are of equal importance to the country. I simply ask the Senator if he will postpone the motion until tomorrow.

Mr. GILLETTE. Mr. President, I am aware, of course, of the interest of the Senator from Georgia in the measure, in opposition to some of its provisions, and have discussed the matter with him. I should hesitate to consent to postponement of the consideration of the motion at this time. I understand if the motion is agreed to then other matters, which are privileged, may be taken up for consideration.

Mr. MILLER. It is perfectly satisfactory that the bill be made the unfinished business, and then laid aside until tomorrow.

The PRESIDING OFFICER. The question is on the motion of the Senator from Iowa [Mr. GILLETTE].

Mr. McNARY. Mr. President, if the bill is made the unfinished business there would be no other reason for its deferment than the fact that we do not have the physical presence of the Senator from Georgia. Why not let the motion of the Senator from Iowa be the unfinished business tomorrow? I suggest that the motion lie on the table until tomorrow, when the Senator from Georgia will be present. The motion will then be the unfinished business. That will meet the present object of the Senator from Iowa, and the opposition of the Senator from Arkansas.

The PRESIDING OFFICER. Does the Senator from Iowa agree to the suggestion made by the Senator from Oregon?

Mr. GILLETTE. The suggestion made by the Senator from Oregon is agreeable to me. I withdraw the motion at the present time.

The PRESIDING OFFICER. The Senator from Iowa withdraws his motion.

LABELING OF WOOL PRODUCTS—TRUTH IN FABRIC

Mr. SCHWARTZ. Mr. President, I move that the House amendment to Senate bill 162 be laid before the Senate.

Mr. McNARY. Mr. President, what is the motion?

The PRESIDING OFFICER. The question is on the motion of the Senator from Wyoming.

Mr. McNARY. Let us have some description of the measure.

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk read as follows:

Amendment of the House of Representatives to the bill (S. 162) to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes.

Strike out all after the enacting clause and insert—

The PRESIDING OFFICER. The question is on the motion of the Senator from Wyoming [Mr. SCHWARTZ].

The motion was agreed to; and the Presiding Officer laid before the Senate the amendment of the House of Representatives to the bill (S. 162) to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes; which was to strike out all after the enacting clause and insert:

That this act may be cited as the "Wool Products Labeling Act of 1939."

DEFINITIONS

SEC. 2. As used in this act—

(a) The term "person" means an individual, partnership, corporation, association, or any other form of business enterprise, plural or singular, as the case demands.

(b) The term "wool" means the fiber from the fleece of the sheep or lamb or hair of the Angora or Cashmere goat (and may include the so-called specialty fibers from the hair of the camel, alpaca, llama, and vicuna) which has never been reclaimed from any woven or felted wool product.

(c) The term "reprocessed wool" means the resulting fiber when wool has been woven or felted into a wool product which, without ever having been utilized in any way by the ultimate consumer, subsequently has been made into a fibrous state.

(d) The term "reused wool" means the resulting fiber when wool or reprocessed wool has been spun, woven, knitted, or felted into a wool product which, after having been used in any way by the ultimate consumer, subsequently has been made into a fibrous state.

(e) The term "wool product" means any product, or any portion of a product, which contains, purports to contain, or in any way is represented as containing wool, reprocessed wool, or reused wool.

(f) The term "Commission" means the Federal Trade Commission.

(g) The term "Federal Trade Commission Act" means the act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended, and the Federal Trade Commission Act approved March 21, 1938.

(h) The term "commerce" means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(i) The term "Territory" includes the insular possessions of the United States and also any Territory of the United States.

MISBRANDING DECLARED UNLAWFUL

SEC. 3. The introduction, or manufacture for introduction, into commerce, or the sale, transportation, or distribution, in commerce, of any wool product which is misbranded within the meaning of this act or the rules and regulations hereunder, is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act; and any person who shall manufacture or deliver for shipment or ship or sell or offer for sale in commerce, any such wool product which is misbranded within the meaning of this act and the rules and regulations hereunder is guilty of an unfair method of competition, and an unfair and deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

This section shall not apply—

(a) To any common carrier or contract carrier in respect to a wool product shipped or delivered for shipment in commerce in the ordinary course of its business; or

(b) To any person manufacturing, delivering for shipment, shipping, selling, or offering for sale, for exportation from the United States to any foreign country a wool product branded in accordance with the specifications of the purchaser and in accordance with the laws of such country.

MISBRANDED WOOL PRODUCTS

SEC. 4. (a) A wool product shall be misbranded—

(1) If it is falsely or deceptively stamped, tagged, labeled, or otherwise identified.

(2) If a stamp, tag, label, or other means of identification, or substitute therefor under section 5, is not on or affixed to the wool product and does not show—

(A) the percentage of the total fiber weight of the wool product, exclusive of ornamentation not exceeding 5 percent of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool if said percentage by weight of such fiber is 5 percent or more; and (5) the aggregate of all other fibers: *Provided*, That deviation of the fiber contents of the wool product from percentages stated on the stamp, tag, label, or other means of identification, shall not be misbranding under this section if the person charged with misbranding proves such deviation resulted from unavoidable variations in manufacture and despite the exercise of due care to make accurate the statements on such stamp, tag, label, or other means of identification.

(B) the maximum percentage of the total weight of the wool product, of any nonfibrous loading, filling, or adulterating matter.

(C) the name of the manufacturer of the wool product and/or the name of one or more persons subject to section 3 with respect to such wool product.

(3) In the case of a wool product containing a fiber other than wool, if the percentages by weight of the wool contents thereof are not shown in words and figures plainly legible.

(4) In the case of a wool product represented as wool if the percentages by weight of the wool content thereof are not shown in words and figures plainly legible, or if the total fiber weight of such wool product is not 100-percent wool exclusive of ornamentation not exceeding 5 percent of such total fiber weight.

(b) In addition to information required in this section, the stamp, tag, label, or other means of identification, or substitute therefor under section 5, may contain other information not violating the provisions of this act or the rules and regulations of the Commission.

(c) If any person subject to section 3 with respect to a wool product finds or has reasonable cause to believe its stamp, tag, label, or other means of identification, or substitute therefor under section 5, does not contain the information required by this act, he may replace same with a substitute containing the information so required.

(d) This section shall not be construed as requiring designation on garments or articles of apparel of fiber content of any linings, paddings, stiffening, trimmings, or facings, except those concerning which express or implied representations of fiber content are customarily made, nor as requiring designation of fiber content of products which have an insignificant or inconsequential textile content: *Provided*, That if any such article or product purports to contain or in any manner is represented as containing wool, this section shall be applicable thereto and the information required shall be separately set forth and segregated.

The Commission, after giving due notice and opportunity to be heard to interested persons, may determine and publicly announce the classes of such articles concerning which express or implied representations of fiber content are customarily made, and those products which have an insignificant or inconsequential textile content.

AFFIXING OF STAMP, TAG, LABEL, OR OTHER IDENTIFICATION

SEC. 5. Any person manufacturing for introduction, or first introducing into commerce, a wool product shall affix thereto the stamp, tag, label, or other means of identification required by this act, and the same, or substitutes therefor containing identical information with respect to content of the wool product or any other products contained therein in an amount of 5 percent or more by weight and other information required under section 4, shall be and remain affixed to such wool product, whether it remains in its original state or is contained in garments or other articles made in whole

or in part therefrom, until sold to the consumer: *Provided*, That the name of the manufacturer of the wool product need not appear on the substitute stamp, tag, or label if the name of the person who affixes the substitute appears thereon.

Any person who shall cause or participate in the removal or mutilation of any stamp, tag, label, or other means of identification affixed to a wool product with intent to violate the provisions of this act, is guilty of an unfair method of competition and an unfair and deceptive act or practice in commerce within the meaning of the Federal Trade Commission Act.

ENFORCEMENT OF THE ACT

SEC. 6. (a) Except as otherwise specifically provided herein, this act shall be enforced by the Federal Trade Commission under rules, regulations, and procedure provided for in the Federal Trade Commission Act.

The Commission is authorized and directed to prevent any person from violating the provisions of this act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this act; and any such person violating the provisions of this act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act, in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this act.

The Commission is authorized and directed to make rules and regulations for the manner and form of disclosing information required by this act, and for segregation of such information for different portions of a wool product as may be necessary to avoid deception or confusion, and to make such further rules and regulations under and in pursuance of the terms of this act as may be necessary and proper for administration and enforcement.

The Commission is also authorized to cause inspections, analyses, tests, and examinations to be made of any wool products subject to this act; and to cooperate with any department or agency of the Government, with any State, Territory, or possession, or with the District of Columbia; or with any department, agency, or political subdivision thereof; or with any person.

(b) Every manufacturer of wool products shall maintain proper records showing the fiber content as required by this act of all wool products made by him, and shall preserve such records for at least 3 years.

The neglect or refusal to maintain and so preserve such records is unlawful, and any such manufacturer who neglects or refuses to maintain and so preserve such records shall forfeit to the United States the sum of $100 for each day of such failure, which shall accrue to the United States and be recoverable in a civil action.

CONDEMNATION AND INJUNCTION PROCEEDINGS

SEC. 7. (a) Any wool products shall be liable to be proceeded against in the district court of the United States for the district in which found, and to be seized for confiscation by process of libel for condemnation, if the Commission has reasonable cause to believe such wool products are being manufactured or held for shipment, or shipped, or held for sale or exchange after shipment, in commerce in violation of the provisions of this act, and if after notice from the Commission the provisions of this act with respect to said products are not shown to be complied with. Proceedings in such libel cases shall conform as nearly as may be to suits in rem in admiralty, and may be brought by the Commission.

If such wool products are condemned by the court, they shall be disposed of, in the discretion of the court, by destruction; by sale; by delivery to the owner or claimant thereof upon payment of legal costs and charges and upon execution of good and sufficient bond to the effect that such wool products will not be disposed of until properly stamped, tagged, labeled, or otherwise identified under the provisions of this act; or by such charitable disposition as the court may deem proper. If such wool products are disposed of by sale, the proceeds, less legal costs and charges, shall be paid into the Treasury of the United States.

(b) Whenever the Commission has reason to believe that—

(1) Any person is violating, or is about to violate, sections 3, 5, 8, or 9 of this act, and that

(2) It would be to the public interest to enjoin such violation until complaint is issued by the Commission under the Federal Trade Commission Act and such complaint dismissed by the Commission or set aside by the court on review, or until order to cease and desist made thereon by the Commission has become final within the meaning of the Federal Trade Commission Act, the Commission may bring suit in the district court of the United States or in the United States court of any Territory, for the district or Territory in which such person resides or transacts business, to enjoin such violation, and upon proper showing a temporary injunction or restraining order shall be granted without bond.

EXCLUSION OF MISBRANDED WOOL PRODUCTS

SEC. 8. All wool products imported into the United States, except those made more than 20 years prior to such importation, shall be stamped, tagged, labeled, or otherwise identified in accordance with the provisions of this act, and all invoices of such wool products required under the act of June 17, 1930 (ch. 497, title IV, 46 Stat. 719), shall set forth, in addition to the matter therein specified, the information with respect to said wool products required under the provisions of this act, which information shall be in the invoices prior to their certification under said act of June 17, 1930.

The falsification of, or failure to set forth, said information in said invoices, or the falsification or perjury of the consignee's declaration provided for in said act of June 17, 1930, insofar as it relates to said information, shall be an unfair method of competition, and an unfair and deceptive act, or practice, in commerce under the Federal Trade Commission Act; and any person who falsifies, or fails to set forth, said information in said invoices, or who falsifies or perjuries said consignee's declaration insofar as it relates to said information, may thenceforth be prohibited by the Commission from importing, or participating in the importation of, any wool products into the United States except upon filing bond with the Secretary of the Treasury in a sum double the value of said wool products and any duty thereon, conditioned upon compliance with the provisions of this act.

A verified statement from the manufacturer or producer of such wool products showing their fiber content as required under the provisions of this act may be required under regulations prescribed by the Secretary of the Treasury.

GUARANTY

SEC. 9. (a) No person shall be guilty under section 3 if he establishes a guaranty received in good faith signed by and containing the name and address of the person residing in the United States by whom the wool product guaranteed was manufactured and/or from whom it was received, that said wool product is not misbranded under the provisions of this act.

Said guaranty shall be either (1) a separate guaranty specifically designating the wool product guaranteed, in which case it may be on the invoice or other paper relating to said wool product; or (2) a continuing guaranty filed with the Commission applicable to all wool products handled by a guarantor in such form as the Commission by rules and regulations may prescribe.

(b) Any person who furnishes a false guaranty, except a person relying upon a guaranty to the same effect received in good faith signed by and containing the name and address of the person residing in the United States by whom the wool product guaranteed was manufactured and/or from whom it was received, with reason to believe the wool product falsely guaranteed may be introduced, sold, transported, or distributed in commerce, is guilty of an unfair method of competition, and an unfair and deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

CRIMINAL PENALTY

SEC. 10. Any person who willfully violates sections 3, 5, 8, or 9 (b) of this act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000, or be imprisoned not more than 1 year, or both, in the discretion of the court: *Provided*, That nothing herein shall limit other provisions of this act.

Whenever the Commission has reason to believe any person is guilty of a misdemeanor under this section, it shall certify all pertinent facts to the Attorney General, whose duty it shall be to cause appropriate proceedings to be brought for the enforcement of the provisions of this section against such person.

APPLICATION OF EXISTING LAWS

SEC. 11. The provisions of this act shall be held to be in addition to, and not in substitution for or limitation of, the provisions of any other act of the United States.

EFFECTIVE DATE

SEC. 12. This act shall take effect 9 months after the date of its passage.

SEPARABILITY CLAUSE

SEC. 13. If any provision of this act, or the application thereof to any person, partnership, corporation, or circumstance is held invalid, the remainder of the act and the application of such provision to any other person, partnership, corporation, or circumstance shall not be affected thereby.

EXCEPTIONS

SEC. 14. None of the provisions of this act shall be construed to apply to the manufacture, delivery for shipment, shipment, sale, or offering for sale any carpets, rugs, mats, or upholsteries, nor to any person manufacturing, delivering for shipment, shipping, selling, or offering for sale any carpets, rugs, mats, or upholsteries.

Mr. SCHWARTZ. Mr. President, I move that the Senate concur in the House amendment to Senate bill 162, and on that motion I desire to be heard. It will be necessary, in order to support that motion, to explain the House amendments, and I desire at this time to explain the amendments, and the manner in which they affect the pending bill.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THOMAS of Oklahoma. Is it not in order at this time to move that the bill, with the House amendment be referred to the standing committee from which the original bill came, as a preferential motion to the one made by the Senator from Wyoming?

The PRESIDING OFFICER. The motion can be made by the Senator when he obtains the floor. The Senator from Wyoming now has the floor.

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

Mr. SCHWARTZ. I yield.

Mr. WHITE. There were a number of Senators who had understood that the bill in which the Senator from Iowa [Mr. GILLETTE] was interested was to follow the disposition of the Export-Import Bank bill. Some of those Senators have left the floor. I suggest that there should be a point of no quorum made, so that absent Senators who have an interest in this bill may be present and may be advised that it is under consideration by the Senate.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Maine for that purpose?

Mr. SCHWARTZ. Yes; I yield for that purpose.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Downey	Lee	Russell
Andrews	Ellender	Lodge	Schwartz
Ashurst	George	McCarran	Schwellenbach
Austin	Gerry	McKellar	Sheppard
Bailey	Gibson	McNary	Smathers
Barkley	Gillette	Maloney	Stewart
Bilbo	Green	Mead	Taft
Brown	Gurney	Miller	Thomas, Idaho
Bulow	Hale	Minton	Thomas, Okla.
Burke	Harrison	Murray	Thomas, Utah
Byrd	Hatch	Neely	Townsend
Byrnes	Hayden	Norris	Vandenberg
Capper	Herring	Nye	Wagner
Chandler	Hill	Overton	Walsh
Clark, Idaho	Hughes	Pepper	Wheeler
Clark, Mo.	Johnson, Calif.	Pittman	White
Connally	Johnson, Colo.	Radcliffe	Wiley
Danaher	King	Reed	
Davis	La Follette	Reynolds	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

Mr. SCHWARTZ. Mr. President, as I stated a moment ago, as a preliminary matter I wish to say for the benefit of any Senators who have not heard what has gone on in the last few minutes, that the bill we have under consideration now is what is known as the truth-in-fabric bill, or the wool-labeling bill.

Senate bill 162 was passed by the Senate on July 21, 1939, by a vote of 48 to 23; and on August 30, 1940, the House adopted a motion to consider a companion bill by a vote of 288 yeas to 18 nays. After 4 hours' debate in the House, the House adopted its own bill, and substituted it for Senate bill 162 without a record or teller vote. The Senate bill 162 and the House bill adopted as a substitute are identical, except for certain amendments I shall discuss.

A similar bill introduced by me passed the Senate in 1938, but was not considered by the House prior to the adjournment of the Congress. There have been long and extensive hearings on this bill. Over 800 pages of testimony have been taken. There have been extensive debates both in the Senate and in the House; in the Senate twice and in the House this last week.

Mr. President, it would be difficult to find much new matter to consider, and I hope it will not be necessary to take the time of the Senate to reargue the general merits of the bill. If that shall become necessary, of course, I shall do so.

I wish to point out the amendments made to the bill as it passed the Senate, and endeavor to explain the reasons assigned by the House proponents for such amendments, and how those amendments affect the purposes of the bill. Of the 22 or 23 amendments in the substitute, only 3 or 4 are important, and they do not militate against the purpose of the bill. Practically all the other amendments are merely changes of words, dropping out words, or renumbering some of the paragraphs.

The bill has been pending a long time. It has passed the Senate twice. Most of the amendments of the House have been made to meet objections which were raised in the Senate by those who were against the bill.

In my opinion, those amendments do not materially affect the purposes of the bill. They are satisfactory to the consumers of the country and to those directly interested in wool. Most of them have been asked for by retailers' associations of the country or by some of the wool interests, and I believe they are opposed only by those who are opposed to a regulatory bill of any kind.

For those reasons I hope that before we get through the Senate will agree to my motion to concur in the House amendment, and that the Senate will turn down certain amendments which have been offered to the bill; amendments which, in my judgment—I might be mistaken—are purely dilatory. If any of the three amendments to which I refer is adopted, the intention is to bring about a parliamentary situation in which the bill will again go back to the House and will be there for some time; and it is the hope of the opponents of the bill, if that course shall be taken, that we shall adjourn before we can obtain final action on the bill. With the adjournment of Congress, of course, all the work which has been done by the committees and the votes taken by the Senate and House will have to be done over again in the next session.

For those reasons, Mr. President, I hope the Senate will be of the opinion that the House amendments are reasonable, and that my motion will prevail.

I wish to speak, first, about the first amendment, which is in section 2 (b). It deals with the definition of wool. The House substitute for the definition of wool is similar in language to Senate bill 162 as reported to the Senate by the Senate Committee on Interstate Commerce, and reads as follows:

> (b) The term "wool" means the fiber from the fleece of the sheep or lamb, or the hair of the Angora or Cashmere goat (and may include the so-called specialty fibers from the hair of the camel, alpaca, llama, and vicuna) which has never been reclaimed from any woven or felted wool product.

That is the definition now in the bill. With the exception of a concluding clause added after the word "vicuna" above, which has nothing particularly to do with the definition, that is the way this definition was brought to the Senate by the Interstate Commerce Committee. When it reached the Senate, after we had reached the point of amendments to the b ll, the distinguished senior Senator from Oklahoma [Mr. THOMAS] offered an amendment to the definition. His amendment read:

> The term "wool" means the fiber from the fleece of the sheep or lamb.

That was the end of it. It eliminated Angora, and all the specialty fibers.

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

Mr. SCHWARTZ. I yield.

Mr. WHITE. Was that amendment adopted by the Senate?

Mr. SCHWARTZ. Yes.

Mr. WHITE. I have a very hazy recollection about it.

Mr. SCHWARTZ. I can explain it.

Mr. WHITE. My recollection, such as it is, is that under the terms of the amendment as the committee reported it, we could define as wool something with absolutely no wool in it. Was not that criticism made?

Mr. SCHWARTZ. That criticism was made, and I now propose to explain the matter in detail.

At the time the amendment was adopted limiting the definition of wool to fiber from the fleece of the sheep or lamb, it may not be material but as a matter of fact only 15 Senators were present in the Chamber, and the amendment was adopted by a vote of 8 to 6, I believe. That is not material, because eventually we passed the whole bill.

It is evident that those who supported the Thomas amendment at that time either did not understand the bill or were opposed to labeling of any kind. The purpose of the definition of wool under the general provisions of the bill is not to limit the term to wool from the fleece of the sheep or lamb. "Wool" was and is intended as a commercial term to cover all natural wool, including the natural soft, silky hair of the Angora or Cashmere goat. The bill was never intended simply as a sheep-wool bill. I recall that on one occasion a distinguished Senator who is not now present, and whose name I

shall not mention, said, "This bill is a bill which the sheep herders want." In that connection I will say that some sheep herders want the bill, but the record shows that practically all the consumer leagues and the labor organizations of the country want it, because they want fiber identification. The bill was never intended simply as a sheep-wool bill, but as a bill to protect the pubic in purchasing garments and other products which contain wool or which are represented as containing wool.

I think it will be of interest to take the time of the Senate for a moment to give a few definitions of wool generically, and also of the special wool fibers included in the House amendment.

This is Funk and Wagnalls' definition of "wool":

(1) The soft and more or less long, curly, or crisped hair which is obtained from sheep and some allied animals, and used in making material for the manufacture of clothing. * * * Among commercial wools of importance are those obtained from the alpaca, the llama, the Angora goat, the camel, and from the Cashmere goat of the Himalayas.

Webster gives practically the same definition:

(1) The soft and curled, or crisped, covering or coat of domestic sheep and some other animals. * * *
(3) Short, thick hair, especially when crisped or curled.

Funk & Wagnalls' Standard Dictionary defines "alpaca" as—

(1) A semidomesticated cameloid ruminant of the lofty mountains of Chile, Peru, and Bolivia, resembling a sheep, but with a longer neck, and yielding a long fine wool, usually dark brown or black; (2) alpaca wool.

Angora is described by Funk & Wagnalls, in definition (2), as follows:

(3) A fine light dress goods of Angora wool, or an imitation of it.

Webster says:

Angora goat: A variety of the domestic goat, having long, silky hair, Angora wool, which is the true mohair; a cloth shawl, or the like, made of Angora wool or an imitation of it.

Webster describes "camlet" as a costly fabric of satin weave, made in Asia of camel's hair or Angora wool.

Webster defines camel's hair as—

(2) Cloth made of camel's hair or a mixture of camel's hair and wool, usually light tan and of soft, silky feel.

The definition of "wool" as it is given in the bill is for the purpose of showing what is a "wool product," and then the wool product is what is to be labeled.

Funk & Wagnalls' dictionary defines camel's hair as—

The hair of the camel used in the manufacture of dress goods, heavy warm clothing for travelers, and similar cloth. Also camel's wool, camel's hair.

Funk & Wagnalls' dictionary defines "cashmere" as—

(1) A fine and soft woolen dress fabric, usually made in plain colors; also a cotton-and-wool imitation of it; (2) a fine, soft, costly fabric made in Kashmir and neighboring regions, from yarn handspun from the flossy wool of the Cashmere goat.

Funk & Wagnalls' dictionary defines "llama" as—

(1) A South American wooly haired cameloid ruminant without a hump and usually white or spotted with brown or black; (2) cloth woven of llama hair.

Funk & Wagnalls' dictionary defines "vicuna" as follows:

A small cameloid mammal of the high northern Andes, having fine and very valuable wool.

Mr. President, to require a special classification for each of these specialty wools, for camel's hair, and for Angora hair or wool, would needlessly multiply detail to be shown on the labels. It should be sufficient to know whether the wool is new, reprocessed, or reused.

There is another and stronger reason why the wool or hair of the Cashmere and Angora goats and the soft hair of the camel should be included in the generic term "wool," and, as such, covered by the labeling provisions. The worn cloth and articles, and the rags of all these products, are now being garnetted, reworked, and reused, put on the market, mixed with reworked and reused sheep's wool, and advertised and sold as "cashmere shawls," "Angora" or "mohair" cloth and clothing, and as "camel's hair" coats, sport goods, and heavy traveling clothing. The public is entitled to be protected, and wants to be protected, from these frauds. I have not heard any reputable dealer or merchant object to the definition of "wool" including these fibers as listed in the House substitute, and as contained in Senate bill 162 when it was reported to the Senate by the Interstate Commerce Committee. There should be no difficulty in these classifications.

I wish to call attention to section 6 (a) of both the Senate bill and the House bill, which are identical. Practically every word, clause, and sentence of the bill has been studied for a long time, and has been thoroughly considered, not only by those who are in favor of the bill, but by men competent in the industry, and particularly by officials and others connected with the Federal Trade Commission.

I read from the third paragraph of section 6 (a), which, as I have said, was originally in Senate bill 162 as it passed the Senate, and is now also in the House amendment:

The Commission—

The Federal Trade Commission—

is authorized and directed to make rules and regulations for the manner and form of disclosing information required by this act, and for segregation of such information for different portions of a wool product—

We shall later come to the definition of a wool product—

as may be necessary to avoid deception or confusion, and to make such further rules and regulations under and in pursuance of the terms of this act as may be necessary and proper for administration and enforcement.

This is in both bills and, of course, is in addition to the labeling provided in the bill, and is the authority of the Federal Trade Commission to see that the labeling is done in such a way and gives such a description of the wool product as not to be confusing or misleading to the public or permit deception.

(b) In addition to the information required in this section, the stamp, tag, label, or other means of identification, or substitute therefor under section 5, may contain other information not violating the provisions of this act or the rules and regulations of the Commission.

It must be evident, Mr. President, that with the power given to the Federal Trade Commission in those two sections, there will be no confusion in the classifications that appear upon the label. As I said a moment ago, there is the same means for protecting the public against misrepresented cloth which happens to be made of Angora wool or camel's hair as there is of cloth made from sheep's wool. This bill primarily, after all, has been demanded for years by the great consumer organizations of the country and all the great farm organizations, and by organized labor. They demand fiber identification.

I now pass to amendment numbered 2, which is a substitute for the "virgin wool" definition of the Senate bill. A difference between Senate bill 162 and the House substitute is that Senate bill 162 gave "wool" and "virgin wool" two separate paragraphs and definitions. The House substitute amendment No. 1, just explained by me, makes this single definition act as a definition for wool generally and also for what in Senate bill 162 is called virgin wool. Thus, the House amendment will permit yarns, such as knitted sweaters, and so forth, which have never been used or worn, to be classified as "wool" along with new wool. It has been assumed, I think, in all the debates we have had before the committees and elsewhere, that there is a very logical distinction between clippings of new wool and those from used or worn garments which have to be garnetted. The clippings from a reworked sweater, for instance, may be drawn right into the roving or combing machines and worked right out into fiber, while the cloth which is woven like a suit and other cloth of that kind has got to be run through garnetting machines and cut into small pieces, decolored, treated with acid, softened with sheep's wool or lanolin and thus eventually reduced or reworked wool or shoddy, according to what one may choose to call it. Soft sweater yarns are reprocessed back into fiber without garnetting and the consequent heavy

damage to the fiber. Also, spun wool which has never been used or worn may be included in the definition of "wool."

So when I now talk about wool I am talking about that classification of fiber which may go in under the head of "wool," which would include new wool and the reprocessed soft sweater stuff or stuff that has never been used and which does not have to be garnetted. I might also state that spun, and certain so-called wool wastes is small in amount and so is not material to the general purposes of the bill.

A proposed amendment, to be offered by the senior Senator from Oklahoma, would readopt the former amendment to Senate bill 162, adding thereto the words:

which has never been reclaimed from any woven or felted wool product.

The amendment then would read:

The term "wool" means the fiber from the sheep or lamb which has never been reclaimed from any woven or felted wool product.

The net result would be to limit wool under the whole bill to the fiber from the sheep or lamb. For the reasons I have stated, this would deprive Angora wool, a very important wool product produced on a large scale in this country, specialty wools, and camel's hair wool from the protection of the labeling act.

Amendment numbered 3 in Senate bill 162 combined all wool products not included under the head of "virgin wool" into a single class and definition which reads:

SEC. 2. (d) The term "reclaimed wool" means wool which has been made into a fibrous state after having been spun, woven, knitted, felted, or otherwise manufactured.

The House substitute now before the Senate divides reclaimed wool, as defined in Senate bill 162, into two classes in lieu of the provision of Senate bill 162 which I have read. I will refer first to the House definition relating to reprocessed wool, that is, wool that has never been worn or used.

(c) The term "reprocessed wool" means the resulting fiber when wool has been woven or felted into a wool product which, without ever having been utilized in any way by the ultimate consumer, subsequently has been made into a fibrous state.

That is one definition, and I may say that it was offered and asked for by the General Retail Merchants Association of the United States. It segregates new clippings into a class by themselves.

The second clause of the definition, that as to "reused wool," reads:

(d) The term "reused wool" means the resulting fiber when wool or reprocessed wool has been spun, woven, knitted, or felted into a wool product which, after having been used in any way by the ultimate consumer, subsequently has been made into a fibrous state.

That, in short, means rags.

These changes of classification were asked for by President David R. Craig, of the American Retail Federation, which federation also includes the National Retail Drygoods Association, the National Retail Furniture Association, and practically all other similar associations in the United States.

I wish to read and put into the RECORD without taking too much time of the Senate just how those amendments came about. Mr. Craig said to the House committee, at page 360 of the hearings:

I offer the following amendments for your consideration. On page 2, delete lines 9 to 12, inclusive—

That was the definition in the Senate bill.

And substitute the following definitions:

(d) The term "reprocessed wool" means wool which has been spun, woven, knitted, felted, or otherwise manufactured into a wool product and subsequently has been made into a fibrous state, but which has never been utilized in any way by the ultimate consumer. This term shall include "wool wastes" as defined herein.

The term "reused wool" means wool which has been spun, woven, knitted, felted, or otherwise manufactured into a wool product and which has been used by the ultimate consumer and subsequently has been made into a fibrous state.

These terms should be substituted in the bill wherever "reclaimed wool" is mentioned.

The definitions of "reprocessed wool" and "reused wool" thus suggested by Mr. Craig, are definitions with slight modification, adopted by the House. They were really included in the bill in order to meet the objection that some forms of reworked wool are far superior to reused wool, as it is called. In other words, wool that has never been worn or used is superior to that which has been garnetted.

The next amendment is amendment No. 4. The House substitute amends S. 162's definition of a "wool product," and inasmuch as every provision in the bill practically, or all of it, is based on the term "wool product" it is important to consider that.

In the bill as it passed the Senate the term "wool product" under the amendment of the senior Senator from Oklahoma [Mr. THOMAS] was defined as follows:

SEC. 2 (e) The term "wool product" means any product made from the fiber of the fleece of the sheep or lamb and containing a percentage of wool as provided in subsection (A) of paragraph (2) of section 4 of this act.

As amended in the House and as it now appears in the House substitute it reads:

(e) The term "wool product" means any product, or any portion of a product, which contains, purports to contain, or in any way is represented as containing wool, reprocessed wool, or reused wool.

"Reprocessed wool" and "reused wool" are the two classifications.

Mr. ADAMS. Mr. President, will the Senator explain his understanding of the use in the House amendment of terms defining a wool product as including one which in any way is represented as containing wool? I wondered whether that might not in itself involve a conflict.

Mr. SCHWARTZ. No; it does not involve a conflict, because, as I said awhile ago, the basic purpose of the bill is to protect the consumer, the buyer. If a merchant or somebody else says to a buyer, "This is wool," and there is no wool at all in the fabric, and he has it labeled as being wool, this bill will reach him, because while the fabric does not contain any wool it is represented to the consumer as containing wool, and that kind of merchant is the man we are trying to reach, among others; and that is the purpose of broadening the definition.

The definition I have just read was practically that of the original Senate bill as reported by the committee, which was subsequently amended and limited by the senior Senator from Oklahoma [Mr. THOMAS]. There was a logical reason for his making that change, after the Senate adopted his first amendment, because by so doing he made the definition conform to his erroneous theory of the bill expressed in the first amendment, which tried to limit the bill to wool of the sheep and lamb, and nothing else. There is no occasion for it, however, either under the real theory, the Interstate Commerce Committee's theory of this bill, the theory under which the bill has been built up by all the persons who have been aiding in building it up, or according to the final action of the House. The purpose of the bill is to protect the buyer from false representations as to fiber content.

I may say again, as I said a while ago—it may not be important; probably it was to some extent my fault or that of somebody else—that when the second amendment was offered here, there were only 15 or 16 Senators on the floor at the time it was voted upon, and most of them happened to be those who were opposed to any regulation of this matter, of any kind, at any time.

I wish again to point out that this definition reaches three classes of products: First, products which contain wool; second, products which purport to contain wool; and, third, products which are in any way represented as containing wool. Thus the label provided for in section 4 would not only show the wool content when it is present, but, second, the content of any product which purports to contain wool when somebody is trying to deceive the public, and, third, any product offered to the public which is represented as containing wool. The original purpose of that provision, when it was first put in, was to reach signs and other representations set up that something is a wool product when, as a matter of fact, it contains no wool at all.

The whole scope of that classification of wool products was intended to uncover and prevent frauds, and to the extent that this act is enforced it will do so. I believe it will be enforced. It is easy to enforce it. If there are any kinks in the bill, after it has been worked over for years and years and subjected to all the attention it has received, the Federal Trade Commission can straighten them out, or point them out to us.

Although I have given a great deal of time to the bill, I am not so vain as to think that the bill is perfect, because, as I read the history of Congress and of legislation, I do not recall many important bills that were perfect in their first enactment. We perfect them and amend them after they are enacted. But it is important to get a start. It is important to have the public demand satisfied. They want the clothing they buy, and the wearing apparel they buy, labeled so that they will know what they are buying; but when a fabric is labeled "reprocessed wool," that does not mean that a man is necessarily going to refuse to buy reprocessed wool. He wants to know what it is, however. He may not buy it. He may prefer to buy some other fabric. He may prefer to buy cotton. He may prefer to pay a few dollars more—it should not cost much more—and buy new wool.

Amendment No. 3, section 3: Section 3 declares that misbranding is unlawful. This section is identical with the corresponding section of Senate bill 162 as it passed the Senate, except that the House strikes out certain words which deal with the retail merchant. Although other provisions still tie the retail merchants in, the retail merchants asked that this language be stricken out in the House. It was stricken out. When the retail merchants asked to have it stricken out they said they thoroughly understood that with this provision out they nevertheless were liable and nevertheless were required to see that the label remained upon the garment until it was sold.

I will read the clause which was stricken out. The section is not long, and I think probably it will be more intelligible if I read most of the section.

SEC. 3. The introduction, or manufacture for introduction, into commerce, or the sale, transportation, or distribution in commerce, of any wool product which is misbranded within the meaning of this act, or the rules and regulations hereunder, is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act; and any person who shall manufacture or deliver for shipment or ship or sell or offer for sale in commerce—

Right there, this language was stricken out of the Senate bill:

or who shall receive from or through commerce, and having so received shall resell or deliver for pay, or offer to resell or so deliver to any other person—

That language was stricken out, so that the bill as it comes to us from the House now reads like this, in the last clause:

and any person who shall manufacture or deliver for shipment or ship or sell or offer for sale in commerce any such wool product which is misbranded within the meaning of this act and the rules and regulations hereunder is guilty of an unfair method of competition, and an unfair and deceptive act or practice in commerce within the meaning of the Federal Trade Commission Act.

This section shall not apply—

(a) To any common carrier—

And so forth. As I said a moment ago, certain retail houses objected to the stricken clause. However, leaving out the clause does not relieve the retailer from the provisions of the act, or from the necessity of keeping the label on the garment until the consumer buys it, because section 5 of the bill requires the person manufacturing for introduction, or first introducing into commerce, a wool product, to affix the label; second, that the label shall remain on the garment or article until sold to the consumer, and third, it provides that any person who shall cause or participate in the removal or mutilation of the label with intent to violate the provisions of the act is guilty, and so forth. So the retailer receives the goods with the label, and he is required not to remove or mutilate the label until the garment is sold to the consumer. It will be seen, therefore, that the responsibility of the retailer is in no manner affected.

When I first saw that amendment, I was rather inclined to doubt whether the Senate ought to accept it. I gave it considerable thought and consideration, and in the course of that consideration I went back through the House hearings to find out how the amendment was offered, and I also took other measures to show that the liability is still with the retailer to maintain the label. That is what the public wants. The public wants the label on the garment when the consumer buys it.

So again here we have the testimony of Mr. Craig, who, as I say, is the president of this company which is over all the retail associations of different kinds in the United States. He said:

Our second proposed amendment is that this provision be stricken from the bill.

That is the one I just read, which was stricken out by the House.

By the terms of this provision, retailers who purchase goods from another State are in interstate commerce. This purchasing theory was discussed by Congress when considering the Fair Labor Standards Act of 1938 and was discarded as being of doubtful constitutionality. In that act Congress made retailers subject to Federal regulations only when their sales were made in interstate commerce.

I therefore suggest that the following wording on page 3, lines 22 to 25, be stricken from the bill:

"Or who shall receive from or through commerce, and having so received shall resell or deliver for pay, or offer to resell or so deliver to any other person."

Then he proceeds and says:

This provision is not necessary to enforce the provisions of H. R. 944.

That is the companion bill to my bill.

And Mr. Craig concludes:

Section 5 makes it mandatory to label all wool products introduced into interstate commerce. This section also prohibits the removal of a label unless a legal substitute is used in its place. These provisions combined mean that goods shipped to retailers must be properly labeled and that retailers are prohibited from removing these labels unless they replace them with a proper substitute.

That amendment also caused some concern to Mr. W. R. Ogg, director of research of the American Farm Bureau Federation. On September 6 he wrote to the Federal Trade Commission for an opinion thereon and on that date he received a reply from Mr. W. T. Kelly, chief counsel of the Commission. Mr. Ogg's letter, of date September 6, I have here. It is as follows:

SEPTEMBER 6, 1940.

Hon. EWIN L. DAVIS,
Chairman, Federal Trade Commission, Washington, D. C.

DEAR SIR: Due to the differences in language in S. 162 as it passed the Senate and the substitute bill passed by the House, the question has arisen whether retailers would be subject to this legislation under the language of the bill as it passed the House.

Section 3 of the Senate text, entitled "Misbranding Declared Unlawful," provides:

"The introduction, or manufacture for introduction, into commerce, or the sale, transportation, or distribution in commerce of any wool product which is misbranded within the meaning of this act, or the rules and regulations hereunder, is unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act; and any person who shall manufacture or deliver for shipment or ship or sell or offer for sale in commerce (or who shall receive from or through commerce, and having so received shall resell or deliver for pay, or offer to resell or so deliver to any other person) any such wool product which is misbranded within the meaning of this act and the rules and regulations hereunder is guilty of an unfair method of competition, and an unfair and deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act."

The words "and having so received shall resell or deliver for pay" are not included in the language of the bill as passed by the House.

In this connection, I note that section 5 of the bill, both as it passed the Senate and as it passed the House, provides that—

"Any person who shall cause or participate in the removal or mutilation of any stamp, tag, label, or other means of identification affixed to a wool product with intent to violate the provisions of this act is guilty of an unfair method of competition, and an unfair and deceptive act or practice in commerce within the meaning of the Federal Trade Commission Act."

We would like very much to have your opinion as to whether, under the language of the bill as it passed the House, retailers would be subject to its provisions.

Respectfully yours,

W. R. OGG,
Director of Research.

The chief counsel of the Federal Trade Commission wrote to Mr. Ogg as follows, under date of September 6:

SEPTEMBER 6, 1940.

Mr. W. R. OGG, *Director of Research,*
American Farm Bureau Federation,
Munsey Building, Washington, D. C.

DEAR MR. OGG: Your letter of September 6, 1940, addressed to Chairman Davis, has been referred to me for reply in reference to S. 162 and your request to be advised whether retailers would be subject to the bill as it passed the House. You refer in particular to the following language appearing in section 5:

"Any person who shall cause or participate in the removal or mutilation of any stamp, tag, label, or other means of identification affixed to a wool product with intent to violate the provisions of this act, is guilty of an unfair method of competition, and an unfair and deceptive act or practice in commerce within the meaning of the Federal Trade Commission Act."

In reply I wish to state that this language, as quoted, would clearly include retailers and make them subject to the inhibitions there expressed against the removal or mutilation of the stamp, tag, label, or other means of identification affixed to the wool product.

Yours very truly,

W. T. KELLEY, *Chief Counsel.*

On the receipt of that letter, and out of consideration of the terms of section 5 as it has been amended, Mr. Ogg, who is the director of research for the American Farm Bureau Federation, was satisfied with the House language, and said that it would require the label to stay on the garment until it was purchased by the consumer. I want the RECORD to show that it is the understanding of the Senate that the amendment notwithstanding, the label or tag must remain on the products until sold to the consumer, and that the retailer is liable if he permits it to be removed.

From this point on there are quite a few amendments, but they are not of much importance.

In section 4, which deals with misbranded wool products, and the description of what must be put on under subsection 2, the only difference between the House provision and the Senate bill as we passed it is that the term "virgin" is stricken out before the word "wool", for the reasons I have already explained, because that term has been abandoned and the description "wool" will stand for new goods.

"Reclaimed wool," as the term was used in the Senate, is changed to "reprocessed wool," made from garnetted clippings of other woolen garments which have never been worn.

Third, the word "reused" has been added, and that is the third definition, which I explained at some length awhile ago. That made necessary striking out the figure "5" and inserting "4" in the numbering of definitions.

Subparagraph (c) of paragraph 2 of section 4 of the Senate bill read as follows, with respect to whose name should be on the label:

(C) Either the name of the manufacturer of the wool product, or the name of one or more persons subject to section 3 with respect to such wool product, or the name of said manufacturers, and the names of one or more of such other persons.

The amendment is merely a change of the language, and does not affect the substance at all. It now reads:

(C) The name of the manufacturer of the wool product and/or the name of one or more persons subject to section 3 with respect to such wool product.

It amounts to the same thing.

Subparagraph 3 of section 4 has been amended. As it passed the Senate, this was the wording, describing certain false labeling:

In the case of a wool product containing a fiber other than wool, if the percentages by weight of the wool contents thereof are not shown in words and figures equally conspicuous with any trade name, pictorial representation, and so forth.

In the amendment the wording is "are not shown in words and figures plainly legible," leaving out the rest of the description, which is not important.

In the next paragraph the Senate section read:

In the case of a wool product represented as virgin wool, if the percentages by weight of the virgin-wool content thereof are not shown in words and figures equally conspicuous with any trade name, pictorial representation, and so forth.

In the House that was amended so as to read:

In the case of a wool product represented as wool—

Dropping out the word "virgin"—

if the percentages by weight of the wool content thereof are not shown in words and figures plainly legible—

Eliminating the rest of it.

In another place where the term "virgin wool" occurs, the word "virgin" was stricken out.

Affixing the stamp, tag, label, or other identification is covered by section 5, and the House amendment is the same as the Senate language, with one exception. The section in S. 162 required the fixing of the tag, label, or stamp by the manufacturer or person first introducing the wool product into commerce, and that later substitutes for the original tag should contain "identical information with respect to content of the wool product, and other information required under section 4." The House added the words "or any other products contained therein in an amount of 5 percent or more by weight." They also added this proviso:

Provided, That the name of the manufacturer of the wool product need not appear on the substitute stamp, tag, or label if the name of the person who affixes the substitute appears thereon.

That is another way of stating what has already been said. It might serve an additional purpose, as where the retailer wishes to label under his own name and not disclose the name of the manufacturer.

There are two more amendments. Under the Senate bill we required the manufacturer to keep complete and accurate records showing the fiber content of his production as required by the act. The House struck out "complete and accurate" and substituted therefor the word "proper." That is not important.

Senate 162 required that the manufacturer should keep records of production and fiber contents thereof for 5 years. The House reduced the time to 3 years. In my opinion that is not of any importance. Three years should be long enough.

Some language was stricken from section 9. Section 9 (a) in the Senate bill provided:

No person shall be guilty under section 3 if he established a guaranty received in good faith, signed by and containing the name and address of the person residing in the United States by whom the wool product guaranteed was manufactured for introduction into commerce and/or from whom it was received in commerce, that said wool product is not misbranded.

And so forth. The House struck out the words "for introduction into commerce" and "received in commerce." The House language is preferable to what we adopted in S. 162, and is unlimited.

Under the Senate bill a manufacturer could make a wool product with no intent to put it in commerce, but later he might receive orders or his business might so change that he would put it in commerce. Under the Senate language, if he does not manufacture it with intent to put it in commerce, he is not reached under the guaranty. Under the House language the guaranty follows when it goes into commerce.

Section 12 makes the act effective 6 months after the date of its enactment. The House substitute makes it effective 9 months after the date of enactment. Manufacturers and merchants thought the 6 months' period too short to readjust and clean up unbranded goods already on the shelves of jobbers and retailers. Nine months also gives the Federal Trade Commission and Treasury more time to work out details of enforcement. I do not believe anyone objects to extending the time from 6 months to 9 months.

At this point the senior Senator from Oklahoma [Mr. THOMAS] purposes to add another amendment, the effect of which, of course, would be to send the bill back to the House, and, while I do not say it is the intent, the effect would be

to keep it lagging around so that we could not get through a bill of any kind at this session of Congress. He purposes in addition to those 9 months, to add the following:

Provided, That if at that time—

At the end of the 9 months—

the present war between Germany and the Allies is still in progress and/or if the United States is at that time actively engaged in a war or wars with any nation or nations, the provisions of this act shall not take effect and be in force until the Chairman of the Federal Trade Commission issues and promulgates a declaration to the effect that a treaty of peace has been signed by representatives of the German Government and by the Allies as represented by the Government of Great Britain, and further that the United States is at peace with all the nations of the world.

Mr. President, if anything should happen in the future, after 9 months, which would suggest for any reason that the provisions of this measure should be set aside temporarily, or for any fixed time, there will then be plenty of time to act. Congress will be in regular session, and there will be plenty of time to suggest any needed amendments.

Further, I do not see any particular reason, and I do not know that there has ever been any precedent established for having the Chairman of the Federal Trade Commission issue an official proclamation as to when a state of war between foreign nations has ended. If it is purposed by the Senator's amendment, and if it shall be developed before we get through here that the purpose of that amendment is predicated upon the idea that we are short of wool, or likely to get short of wool, and that in some way this measure may militate against the general defense program, at that time, I shall endeavor to show that that fear is not well founded.

There is one more amendment by the House of Senate bill 162. I will say that I was not particularly concerned with having the provision of the Senate bill to which the amendment applies contained in the bill at the time we passed it. In some ways I thought the things dealt with by the House amendment should not be in the bill. I had gradually become of the opinion, and I am now of the opinion, that this bill should be limited generally to wearing apparel and clothing, dress goods, cloths, and certain other wool products. The House amendment consists of the addition of section 14, exempting from the bill "carpets, rugs, mats, and upholsteries."

As a general proposition we understand that the particular amount of wool in carpets is not so important. As to upholsteries, they are usually not a very controlling factor in furniture. So I think we can well agree to that exemption, which, I might add, was originally purposed and fought for by a distinguished Representative from Oklahoma.

Mr. President, that will conclude what I wanted to say now on the amendments themselves. I shall expect to be heard later with respect to other features of the bill if we are to go into the discussion of the general merits of the bill.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Louisiana?

Mr. THOMAS of Oklahoma. I yield.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Downey	Lee	Russell
Andrews	Ellender	Lodge	Schwartz
Ashurst	George	McCarran	Schwellenbach
Austin	Gerry	McKellar	Sheppard
Bailey	Gibson	McNary	Smathers
Barkley	Gillette	Maloney	Stewart
Bilbo	Green	Mead	Taft
Brown	Gurney	Miller	Thomas, Idaho
Bulow	Hale	Minton	Thomas, Okla.
Burke	Harrison	Murray	Thomas, Utah
Byrd	Hatch	Neely	Townsend
Byrnes	Hayden	Norris	Vandenberg
Capper	Herring	Nye	Wagner
Chandler	Hill	Overton	Walsh
Clark, Idaho	Hughes	Pepper	Wheeler
Clark, Mo.	Johnson, Calif.	Pittman	White
Connally	Johnson, Colo.	Radcliffe	Wiley
Danaher	King	Reed	
Davis	La Follette	Reynolds	

The PRESIDING OFFICER. Seventy-four Senators have answered to their names. A quorum is present.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. In view of the lateness of the hour, and the fact that the Senator wishes to discuss the matter at some length, I think it would be preferable to suspend at this time.

Mr. THOMAS of Oklahoma. Very well.

EXECUTIVE SESSION

Mr. BARKLEY. 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 REPORTS OF A COMMITTEE

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

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

FARM CREDIT ADMINISTRATION

The legislative clerk read the nomination of William E. Rhea to be Land Bank Commissioner in the Farm Credit Administration.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The legislative clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

The PRESIDING OFFICER. Without objection, the nominations in the Coast and Geodetic Survey are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That concludes the calendar.

AUTHORIZATION TO FINANCE COMMITTEE TO REPORT DURING RECESS

Mr. BARKLEY. Mr. President, as in legislative session, I wish to state that the Committee on Finance has just voted to report the tax bill. It is understood that it will not be taken up until Friday, but, in order that the committee may submit its report, I ask unanimous consent that during the recess of the Senate the Committee on Finance may be authorized to report the tax bill.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, I have conferred with the able leader on the Democratic side. I have no objection, with the understanding that the bill will not come up before Friday—probably later than Friday.

Mr. BARKLEY. I assure the Senator that it will not be taken up tomorrow.

Mr. McNARY. I am happy and satisfied.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HARRISON entered the Chamber.

Mr. BARKLEY. Mr. President, I will say to the Senator from Mississippi that I have just obtained unanimous consent that the Committee on Finance may file its report during the recess of the Senate, with the understanding that the bill will not be taken up in the Senate before Friday.

Mr. HARRISON. I thank the Senator. I hope an arrangement can be made for a session on Saturday.

Mr. BARKLEY. Yes. I may as well state publicly what I have stated privately to Senators who have inquired, that on the theory that the tax bill will be taken up Friday, if it is not finished on that date, we plan to hold a session on Saturday.

Mr. HARRISON. I thank the Senator.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Thursday, September 12, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 11 (legislative day of August 5), 1940

FARM CREDIT ADMINISTRATION

William E. Rhea to be Land Bank Commissioner in the Farm Credit Administration.

COAST AND GEODETIC SURVEY

TO BE AIDES (WITH RELATIVE RANK OF ENSIGN IN THE NAVY)

Don Arden Jones
Francis Xavier Popper
David Mullendore Whipp
Harry Day Reed, Jr.

POSTMASTERS

MISSISSIPPI

Robert Donald Sharp, Grenada.

MONTANA

Grace J. Senef, Denton.
Leo R. Spogen, Red Lodge.
James E. Babbitt, Victor.

HOUSE OF REPRESENTATIVES

WEDNESDAY, SEPTEMBER 11, 1940

The House met at 12 o'clock noon and was called to order by Mr. RAYBURN, who directed the Clerk to read the following communication:

The Clerk read as follows:

THE SPEAKER'S ROOM, HOUSE OF REPRESENTATIVES,
Washington, D. C., September 11, 1940.

I hereby designate Honorable SAM RAYBURN to act as Speaker pro tempore today.

W. B. BANKHEAD, *Speaker.*

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, we thank Thee for the divinity of which we are conscious in our own breasts; may it ever be a supreme satisfaction to express it. As we wait upon Thee, give hush to every other voice and stir our minds with spiritual aspiration. Enrich these passing hours with service for our country that shall be supremely helpful and wise. Diligent and faithful, patient and helpful in our labors, may we know and understand that nothing finally wrong can endure. We pray Thee, blessed Lord, that the citizens of our fair land may always be persuaded that a high, splendid national life finds its noblest spring of excellence in that divine impulse to trust God and believe in the righteous destiny of man. Be with us this day, reminding us that in all we do and say Thou art nigh. O Love Divine that stoops to bless and dry the saddest tear, may our beloved Speaker rest in Thine arms, finding peace, rest, and restored strength. In the name of names, Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 602. Joint resolution to authorize Jesse H. Jones, Federal Loan Administrator, to be appointed to, and to perform the duties of, the office of Secretary of Commerce.

SPEAKER WILLIAM B. BANKHEAD

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HOBBS. Mr. Speaker, it is a real pleasure at times, where sentiments of the kind are naturally and spontaneously called forth, to pay a heartfelt and deserved tribute to a great character. One of the finest men who ever stood in shoe leather, in the opinion of every Member of this House, regardless of his politics, is our beloved Speaker.

Several years ago he had a heart attack. That old pump is as good today as it ever was. A heroic fight he made, and he won.

Last year the flu overtook him. He met and whipped that and became perfectly well.

Now the fates have brought him an attack of sciatica, and he is going to whip that and completely recover. [Applause.]

He is as tough as a lightwood knot or whitleather, and we glory in his physical stamina. But that is not the point I wish to make. Last night he gave an illustration of one of his characteristics which make him so beloved.

In spite of the excruciating agony of an acute attack of sciatica, he tried to the limit of human endurance to fill an engagement to make a speech. It was not to have been a speech for self, nor because of any official duty, but for his party. He had an engagement, and he tried to fill it. He went on until he dropped. That is BILL BANKHEAD, the man we love; and we want to convey to him in this public way our appreciation of that fighting spirit, that will, with the skill of his doctors and divine blessing, bring him back speedily to his place and work among us. [Applause.]

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am so delighted to yield to the distinguished gentleman from Massachusetts, another man of the same ilk. [Applause.]

Mr. MARTIN of Massachusetts. The gentleman from Alabama knows that every Member on the minority side of the House feels just as sad as he over the fact that our Speaker was stricken yesterday. Everyone hopes for an early convalescence, because we appreciate the fact that he is one of the finest gentlemen and one of the greatest Speakers the House has ever had. [Applause.]

Mr. HOBBS. I thank the gentleman very much.

Mr. COLE of Maryland. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I shall be so delighted to yield to the distinguished gentleman from Maryland.

Mr. COLE of Maryland. Mr. Speaker, it was my privilege to accompany the Speaker from Washington to Baltimore yesterday afternoon and to be with him and Mrs. Bankhead at the time he was stricken. I was with him considerably until close to midnight and have just come from his suite at the Emerson Hotel in Baltimore, where his devoted wife and two attractive daughters are with him.

He is much improved this morning.

Everything the distinguished gentleman has said about our great Speaker is true. I wish I could portray to the House and the country the fighting spirit, marvelous courage, and loyalty he demonstrated last night in trying to fulfill the engagement he had made, as I witnessed while with him yesterday afternoon and last night. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HILL. Mr. Speaker, I wish to read a news item from the Daily News of yesterday:

> The Bar Association last night overwhelmingly approved a committee report urging preservation of civil rights and denouncing the House-approved and Senate-pending measure to deport C. I. O. leader Harry Bridges.

To me that is a clear vindication of those few of us who had the courage of our convictions to vote against a popular measure. At the time it was under consideration we felt it was an unconstitutional and un-American thing to pass this bill. It seems to me that this rather conservative American Bar Association has approved our contention that the proper way

to attain this object is to do it in a legal and constitutional way which can be done after a full hearing now under the bill that was passed 2 days later and for which we voted, the Smith bill.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CROWE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short newspaper clipping.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered at the thirty-fifth annual convention of the Pennsylvania Electrical Association last week by myself.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I have prepared what would be, if prepared by somebody else, a real speech, and I have assigned it a real subject. The subject is The Two Conventions, the Two Platforms and the Two Candidates. With that kind of a subject anyone ought to be able to make a good speech.

Mr. Speaker, I ask unanimous consent to have my speech printed in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. JENKINS]?

There was no objection.

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD a resolution adopted by the national convention of the Veterans of Foreign Wars, at Los Angeles, Calif.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. VAN ZANDT]?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD concerning the transfer of military equipment to the Allies.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. VAN ZANDT]?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two articles by Dr. George Mecklenburg.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. ALEXANDER]?

There was no objection.

R. O. T. C. IN COLLEGES

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. RICH. Mr. Speaker, it seems we are going to have conscription. I voted against that bill, and I am glad I did, for we should have offered $35 to $40 per month for 1-year enlistments, and we would have had more volunteers than we need, but it seems to me if we are going to train our boys in this country for military service, we can do no one thing that will be to the greater advantage of the American people than to establish more R. O. T. C.'s in colleges. It will not cost one-tenth as much for training men as it will by conscription and it will not be so liable to make us a militaristic nation.

There are some 350 schools that have made application for these units. Let the Government establish them. These students can be trained for $25 a year each. To establish 1 of these units in a school will require 1 or 2 officers, depending on the number of students involved. If there are only 400, 2 officers will be sufficient and it will not require over $10,000 for 1 of these units. Just multiply that by 350 schools and you will see what an economical thing it will be for the country and how advantageous it will be. To establish a unit in a college of 100 students only requires 1 officer and when we can uniform and train them for military service in colleges and when we have 350 colleges that have applied for R. O. T. C. units, why in the name of common sense do we not train college boys at $25 to $30 each per annum? To train men by conscription and in Army camps will cost from $1,000 to $1,500 each. You have to furnish housing and pay the men, while in colleges you do not pay salaries and you do not house the boys. It is the part of common sense since we have almost a bankrupt Treasury. Let the Government establish these additional R. O. T. C. units in all colleges that have requested them.

[Here the gavel fell.]

EXTENSIONS OF REMARKS IN RECORD

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

Mr. COCHRAN. Mr. Speaker, yesterday I objected to an extension of remarks by the gentleman from Montana [Mr. THORKELSON]. I did so for the moment because of the fact that it was over the limit provided by the rule of the Joint Committee on Printing. The gentleman had five separate extensions in this morning's RECORD. He was within the permission granted by the House.

Mr. Speaker, I am informed that yesterday it was necessary to advise the index clerk of the CONGRESSIONAL RECORD to start on the fifth volume of the Appendix. Never before, and Congress has been in session since I have been here for 11 months in 1 year, have we had more than two volumes of the Appendix. Everything is going into the CONGRESSIONAL RECORD. It has got to be a joke. It is no more my duty than the duty of any other Member of the House to object to extensions of remarks.

It is my understanding that the Joint Committee on Printing can issue a rule, and that no action is required by the House or Senate, that will provide that nothing except what occurs on the floor of the House and Senate may be printed in the RECORD, and the sooner that is done the sooner the people of this country will respect the RECORD more than they do today.

I am further advised that when Congress convenes in January, if the RECORD is to be printed, then it is going to be necessary to make a supplemental appropriation as the amount allocated for this purpose will be practically exhausted.

I appeal to the Joint Committee on Printing to take action immediately. I am confident if they do that they will receive the thanks of a great majority of the Members of both Houses of Congress. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, recently the House had before it the Hatch so-called clean-politics bill, to amend and strengthen the present Corrupt Practices Act.

The law prohibits the making of contributions by corporations to political parties. It was amended so as to prevent

the making of a contribution of more than $5,000 by any one individual or corporation.

Having in mind the fact that, during a recent campaign, certain labor organizations had contributed more than $700,000 to the New Deal campaign fund and that, thereafter, and undoubtedly relying upon some of those contributions, John L. Lewis undertook to demand special consideration from the White House, an amendment was offered by me to bring labor organizations, so far as the making of political contributions was concerned, within the same limits as are imposed upon individuals and corporations.

If the making of political contributions by corporations and by individuals in an amount in excess of $5,000 tends to corrupt the voters, has an undue influence on our elections, how can it be said that a similar contribution by labor organizations, which are always interested in national legislation, does not have a like effect?

Of course, there is no difference, insofar as clean politics or political corruption is concerned, whether a political contribution comes from one source or another, when such source is interested in legislation. A dirty dollar is a dirty dollar, whether given by a religious organization, an industrial corporation, or a labor union, and every Member on the floor knows that fact. Yet the amendment offered by me was not adopted.

Yesterday, the press contained the announcement that Daniel J. Tobin, president of the teamsters union, stated that, should the President's speech turn out to be political, his organization would contribute $20,000 to pay the broadcasting companies for the time to be used by Mr. Roosevelt today.

I call upon the Attorney General of the United States, not to give us an opinion as to whether such contribution is legal or illegal—for, he told us before on similar occasions that he is the adviser only of the President—but to invoke the provisions of the Hatch Act, if such contribution is made.

Let us play no favorites. The administration has enough of an advantage through its Cabinet officers, the use of relief funds, its propaganda machines and in other ways, without permitting it to take advantage of a violation of either the spirit or the letter of the law.

What about it, Mr. Attorney General? Does the fact that such organizations have contributed hundreds of thousands of dollars to the New Deal campaign fund, while they give practically nothing at all to the Republican organization, make them immune?

[Here the gavel fell.]

MAKING UNLAWFUL THE TRANSPORTATION OF CONVICT-MADE GOODS IN INTERSTATE COMMERCE

Mr. SUMNERS of Texas. Mr. Speaker, I call up the conference report on the bill S. 3550, to make unlawful the transportation of convict-made goods in interstate commerce and foreign commerce, and I ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, will the gentleman state why the conferees agreed to eliminate the exemption for binder twine?

Mr. SUMNERS of Texas. Will not the gentleman permit the matter to be called up first?

Mr. RICH. Mr. Speaker, reserving the right to object, what is the bill?

The SPEAKER pro tempore. The Clerk has read the title of the bill. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, I did not hear the answer of the gentleman from Texas.

Mr. SUMNERS of Texas. The gentleman did not make any answer. I am asking that the matter be called up first and that the statement of the managers on the part of the House be read in lieu of the conference report. Then if the gentleman wants any explanation, the chairman of the committee will explain it or some other gentleman, and if the gentleman from South Dakota desires some time we will see that he gets it.

Mr. CASE of South Dakota. All I want to do is to preserve the surety that we will have an explanation on that point and an opportunity to discuss it.

The SPEAKER pro tempore. The request is that the statement be read in lieu of the report. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the 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:

"That whoever shall knowingly transport or knowingly cause to be transported in interstate commerce, in any manner or by any means whatsoever, or aid or assist, knowingly, in obtaining transportation for or in transporting any goods, wares, and merchandise manufactured, produced, or mined, wholly or in part by convicts or prisoners (except convicts or prisoners on parole or probation) or in any penal or reformatory institution, from one State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, or from any foreign country, into any State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment of not more than one year, or both: *Provided*, That nothing herein shall apply to commodities manufactured in Federal or District of Columbia penal and correctional institutions for use by the Federal Government or to commodities manufactured in any State penal or correctional institution for use by any other State, or States, or political subdivisions thereof; to parts for the repair of farm machinery; or to agricultural commodities: *Provided further*, That this Act shall go into effect one year after its approval by the President."

And the House agree to the same.

Amend the title so as to read: "An Act to make unlawful the transportation of convict-made goods in interstate commerce, and for other purposes."

And the House agree to the same.

HATTON W. SUMNERS,
DAVE E. SATTERFIELD, Jr.,
C. E. HANCOCK,
Managers on the part of the House.
PAT MCCARRAN,
M. M. NEELY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes on the House amendment to the bill (S. 3550), to make unlawful the transportation of convict-made goods in interstate and foreign commerce, submit the following statement, explaining matters agreed upon by the conference committee and recommended in the accompanying conference report.

The House passed the Senate bill after amending it by striking out all after the enacting clause and inserting its own provisions. The Senate disagreed to the House amendment and requested the conference, to which the House agreed.

The conference report recommends that the Senate recede from its disagreement to the House amendment and agree to the same with an amendment, the amendment being to insert in lieu of the matter proposed to be inserted by the House amendment, the matter agreed to by the conferees; and the House agree to the same.

The House amendment and the conference agreement with the exceptions herein mentioned, are substantially the same and accomplish the general purposes of the Senate bill.

The conference agreement contains clarifying language to make the bill inapplicable to District of Columbia penal and correctional institutions manufacturing commodities for the use of the Federal Government. The conference agreement retains the language of the House amendment which omitted the words "or foreign" before the word "commerce."

The House amendment provided exemption for farm machinery and binder twine, which were not exempted in the Senate bill. The conference agreement eliminates such exemptions.

The conference agreement also amends the title, omitting the words "or foreign," so that it will conform to the language of the bill.

HATTON W. SUMNERS,
DAVE E. SATTERFIELD, Jr.,
C. E. HANCOCK,
Managers on the part of the House.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. The Chair desires to state that the time that is being consumed now is coming out of the hour.

Mr. SUMNERS of Texas. Under those circumstances, I cannot yield, Mr. Speaker.

CALL OF THE HOUSE

Mr. SCHAFER of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. MICHENER. Will not the gentleman withhold the point of order?

Mr. SCHAFER of Wisconsin. I withhold it, Mr. Speaker, but I want to ask one question to expedite action on this conference report.

Mr. McKEOUGH. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. MICHENER. Will not the gentleman withhold his point of order?

Mr. McKEOUGH. I want a quorum here. This is a very important bill, and I want the Members here.

The SPEAKER pro tempore. The gentleman from Illinois makes the point of order that a quorum is not present. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 215]

Allen, Pa.	Evans	Lesinski	Rockefeller
Arnold	Fay	McDowell	Routzohn
Barry	Fernandez	McGranery	Sack
Barton, N. Y.	Fish	McLeod	Sandager
Bender	Fitzpatrick	Maas	Schaefer, Ill.
Blackney	Flaherty	Maloney	Schwert
Bolton	Folger	Marcantonio	Seccombe
Bradley, Mich.	Ford, Leland M.	Marshall	Shafer, Mich.
Bradley, Pa.	Gavagan	Martin, Ill.	Sheridan
Brewster	Gerlach	Merritt	Smith, Ohio
Buck	Gifford	Mills, La.	Smith, Va.
Buckley, N. Y.	Green	Mitchell	Stearns, N. H.
Byrne, N. Y.	Hall, Edwin A.	Murdock, Ariz.	Sullivan
Chapman	Hall, Leonard W.	Murdock, Utah	Sutphin
Clark	Halleck	Norton	Sweeney
Cole, N. Y.	Harness	O'Brien	Taylor
Collins	Hawks	O'Day	Tenerowicz
Connery	Hendricks	Oliver	Thill
Corbett	Hook	O'Neal	Thomas, N. J.
Darrow	Hope	Osmers	Vinson, Ga.
Delaney	Jarrett	O'Toole	Wadsworth
Dempsey	Jenks, N. H.	Patton	Wallgren
Dies	Johnson, Ind.	Peterson, Ga.	Whelchel
Dingell	Kefauver	Pfeifer	White, Idaho
Dondero	Kennedy, Michael	Plumley	White, Ohio
Douglas	Kilburn	Rabaut	Wigglesworth
Elliott	Kirwan	Ramspeck	Wolcott
Engel	Lemke	Reed, Ill.	

The SPEAKER pro tempore. Three hundred and eighteen Members have answered to their names, a quorum.

On motion of Mr. COOPER, further proceedings under the call were dispensed with.

COMMITTEE ON MILITARY AFFAIRS

Mr. MAY. Mr. Speaker, I ask unanimous consent that the conferees on the conscription bill have until midnight tonight to file a report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HENNINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two resolutions from the Central Trades and Labor Union of St. Louis.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a report from the State W. P. A. Administration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PEARSON asked and was given permission to extend his own remarks in the RECORD.

MAKING UNLAWFUL THE TRANSPORTATION OF CONVICT-MADE GOODS IN INTERSTATE COMMERCE

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Speaker, this conference report deals with Senate bill 3550, which prohibits the interstate shipment of prison-made goods. As the bill passed the Senate it prohibited the shipment in interstate commerce of all prison-made goods excepting parts for the repair of farm machinery and agricultural commodities. The bill as it passed the House—and it passed on the Consent Calendar—exempted farm machinery, farm machinery parts, agricultural commodities, and binder twine. The conferees met and agreed to this conference report which eliminates the House exemptions of farm machinery and binder twine.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Does this strengthen or weaken the so-called Hawes-Cooper Act and the Sumners-Ashurst Act?

Mr. HEALEY. I believe this bill supplements the Hawes-Cooper Act and the Sumners-Ashurst Act. Those acts simply protected the laws of the States. In other words, if a State had a law prohibiting the sale of prison-made goods, the Hawes-Cooper and the Sumners-Ashurst Acts protected that State law by prohibiting the shipment of prison-made goods into that State if the State itself had a statute which prohibited the sale of prison-made goods in open-market competition with free labor.

There are 37 States that prohibit the sale of prison-made goods entirely. There are only 11 that do make it possible to sell prison-made goods. This bill does not prevent the intrastate sale of prison-made goods. It does not prevent the use of prison-made goods by the Federal Government or the States, but it does prevent the interstate shipment of products manufactured in prisons by convicts to compete in the same market with free labor and free enterprise.

You may say, and it will be argued here, that the prisoners must be kept busy, that they must have some employment, but if you must choose between the employment of prisoners and free labor, then I think we ought to decide in favor of free labor. [Applause.]

The binder-twine and farm-machinery industries are important ones. Some of these States are actually making a profit through the use of their convicts in these industries. They are exploiting prison labor to make a profit. Such competition is ruinous to some old industries. In my own State there is the Plymouth Cordage Co. that has been in business for many years. I am informed that the market on binder twine has been taken away from private industry to the extent of about 50 percent.

I submit that you are discriminating if you exempt any products at all. If you are going to permit the manufacture and sale of prison-made twine and prison-made farm machinery and prison-made farm machinery parts or agricultural

commodities, then you ought to permit the sale of prison-made shoes and furniture, or any other product. It is discrimination against these industries to have any exemption at all.

I am opposed to any exemptions. However, this conference report does eliminate the exemptions of farm machinery and binder twine that were contained in the House bill and leaves remaining only exemptions of farm machinery repair parts and agricultural commodities. In all other fields it will eliminate the ruinous competition of convict labor with free labor and legitimate enterprise. I trust the House will agree with the conference report. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 4 minutes to the gentleman from Kansas [Mr. GUYER].

Mr. GUYER of Kansas. Mr. Speaker, I am opposed to this report from the fact that in the State of Kansas we have a binder plant and it is of immense importance to the farmers of Kansas that this plant be maintained. It is not only that, but it is important to the men who are in the prison. Idle men are always a threat and especially when they are confined within stone walls.

Years ago a great corporation had an absolute monopoly upon the twine business in Kansas and they bled millions of dollars out of the farmers of Kansas because of that monopoly. In the administration of Governor Capper, sometime between 1915 and 1919, a law was passed establishing this binder-twine plant, and it was of immense importance in savings to the farmers of Kansas. I think the same thing may be said in regard to all of these institutions in the penitentiaries of the different States.

I think we will not at all disagree upon the fact that we are all opposed to competition of prison labor with free labor. I do not believe there is any competition in Kansas as there are no binder-twine manufacturers in our State. I agree with the American Federation of Labor and the C. I. O. that we do not want any extensive competition of free and prison labor, but the men in these penitentiaries must have something to do. There is nothing that Kansas has for them to do except in the mines part of the time, and if they do not behave they are put in the coal mines, but we cannot use all of them in the coal mines and we have put thousands of dollars into this business of making twine, and it is of vast importance to the farmers of the State of Kansas. We cannot sell all the product in the State of Kansas, so we have been selling it in those States that have not a law against its importation and sale.

Mr. EATON. Mr. Speaker, will the gentleman yield?

Mr. GUYER of Kansas. I wish I could yield, but I have not the time.

In the old days Kansas used to bind most of the wheat. They do not do that any more. Some of you boys came to Kansas, South Dakota, and Nebraska to harvest wheat during the summer vacation of your colleges. The junior Senator from Louisiana told me that he came up there in my own neighborhood and worked during the harvest time, but they do not do that any more. They are combining and they are heading more than they used to do, and that has curtailed the use within the State of this product of the penitentiary. So we want the privilege of selling in the States where they have no law against the selling of prison-made goods within the State.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. GUYER of Kansas. I shall yield first to the gentleman from New Jersey if he has a question.

Mr. EATON. Does the bill, as we are asked to vote on it, permit penal institutions to manufacture farm machinery parts and twine and ship them anywhere they want to in this country?

Mr. GUYER of Kansas. No; it is supposed to prevent that. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] will discuss that amendment.

Mr. AUGUST H. ANDRESEN. The transportation of parts of farm machinery is exempt.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. HANCOCK].

Mr. HANCOCK. Mr. Speaker, this is a far more important bill than the Members of the House seem to realize. It is so important that we ought to have a roll call on it and know just where the Members of the House stand on prison-made goods competing with privately made goods and convicts competing with free labor.

As the gentleman from Massachusetts [Mr. HEALEY] has explained to you, the original bill as it passed the Senate and came to the House was a straight-out prohibition against interstate commerce in prison-made goods. After very little consideration in the House Judiciary Committee an amendment was adopted excepting farm machinery parts and binder twine from the prohibition. In other words, it made interstate commerce in those two articles legal. The bill came to the floor with those two amendments and, as I said, without any hearings on them. If those amendments were considered they were brought up some day when I was not present, but I am sure that no hearings were ever held by the committee. The bill was passed by unanimous consent late one day when there were very few Members on the floor. The only discussion was a little colloquy between the gentleman from Michigan and the gentleman from Alabama [Mr. HOBBS], who was handling the bill. The gentleman from Michigan wished to be assured that those two exceptions were in the bill, and on that assurance he permitted the bill to pass by unanimous consent.

When we came into conference the question was sharply raised as to the advisability of making those two exceptions, farm machinery parts and binder twine, and permitting the free interchange of those articles in the open market in competition with similar goods made by private industry.

Mr. COCHRAN. Will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. COCHRAN. If that exemption stood, is there not danger that every State in the Union would start manufacturing binder twine and farm machinery?

Mr. HANCOCK. It was an invitation to every State to go into those two businesses, entirely destroy the manufacturers making those products, and throw hundreds of employees out of work.

Mr. GWYNNE. Will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. GWYNNE. There are several exceptions in this bill. Do those exceptions repeal the Hawes-Cooper law and the Ashurst-Sumners law as to those excepted goods? That is the question that troubles me.

Mr. HANCOCK. As I understand the Hawes-Cooper bill, it merely gives the different States the right to protect themselves against the importation of prison-made goods. That still stands. The only exception is farm machinery parts, and the reason for that is this. Many prison-made farm machines have been sold to the farmers in the Middle West where this unholy traffic is permitted. We thought it was only reasonable to permit those farmers to be able to buy parts to keep the old machines in working order. That is the only exception.

The only hearing held was in the conference itself, which is a rather unusual proceeding. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] appeared and presented the case of Minnesota as forcefully as many man could do it. I regard the gentleman from Minnesota as an extremely well-informed, able, and useful Member of this House. His arguments were impressive. We also had two gentlemen representing private industry and labor, in opposition to the bill. We learned that the prison industry in these two articles is a very substantial part of the entire business of producing farm machinery and binder twine. It is so serious that it has a real effect on the employment of this country. The question is clearly presented as to whether you favor permitting prison-made goods to compete with goods made by free labor, or whether you do not.

Mr. EATON. Will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. EATON. As I read this, it seems as if you have exempted farm machinery and agricultural commodities.

Mr. HANCOCK. Farm machinery parts, and that is only for the purpose of permitting the farmers who now own prison-made farm machines to keep them in repair.

Mr. EATON. What agricultural products will be manufactured in the prisons and shipped in interstate commerce?

Mr. HANCOCK. I cannot answer the gentleman. I raised that question in conference as to why we made that exemption. I got no satisfactory answer except that nobody seems to object to it.

Among the conferees were two or three men from agricultural States. I understood from them that the interstate traffic in agricultural commodities is trifling and unimportant, but interstate commerce in binder twine and farm machinery is substantial. It ought to be stopped. It is inherently and intrinsically bad. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, in the stream of our thinking on this subject, inevitably will be encountered the rapids that run between the scylla of competition between convicts and free labor and the charybdis of keeping incarcerated men in utter idleness, which is the height of inhumanity. Therefore, between this scylla and this charybdis we must draw the line somewhere, for none of us is in favor of espousing the cause of either of those rocks.

Personally I refused to sign this conference report because I did not consider that, as a conferee representing the House, I had any right to do so honorably. I am not sitting in judgment upon any other man's conscience, but I know that the contacts I had with fellow Members estopped me from signing. This bill could never have come from our committee except for the Minnesota amendment. I know that it never could have passed this House but for the Minnesota amendment, coming up, as it did, by unanimous consent. I know, or at least I believe I know, there never could have been a rule obtained for its consideration but for the Minnesota amendment. Otherwise I have not the least interest in the Minnesota amendment; but I think that when a bill is reported out of a committee by virtue of that kind of an understanding, when a bill passes the House because of that kind of an understanding, I should stand by the understanding, which I, in handling the bill, permitted. I feel that good faith requires me to go the second mile, if necessary, in trying to protect and retain every amendment we accepted, offered as a committee amendment, and which was adopted by the House.

That is the whole matter as I see it. All of us are as one in desiring to protect free labor and its markets against the competition of prison-made goods.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Gladly.

Mr. MOTT. Would this bill prohibit the shipment in interstate commerce of manufactured articles the raw material for which was produced at State prisons; such, for example, as linen made from flax that was processed at a prison?

Mr. HOBBS. My judgment is that when the raw material was processed in a prison, unless the prison itself produced the raw material and traded it in kind with a similar institution in another State it would be within the condemnation of this act and would be denied movement in interstate commerce.

Mr. MOTT. This is a case where the prison processes the flax and sells it to a linen manufacturing company within the State.

Mr. HOBBS. Within the State? That would be intrastate commerce and would not be within the condemnation of this act.

Mr. MOTT. Would not be prohibited?

Mr. HOBBS. That is right.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I shall be pleased to yield to the distinguished gentleman from Mississippi.

Mr. WHITTINGTON. The conference report adopts the substitute bill. In the substitute bill agricultural commodities are eliminated; it does not apply to agricultural commodities.

Mr. HOBBS. That is true.

Mr. WHITTINGTON. Would the bill prohibit the growing and the ginning of cotton?

Mr. HOBBS. I think clearly not. This bill does not apply to any agricultural products.

Mr. WHITTINGTON. Then it would not apply to the growing or ginning of cotton.

Mr. HOBBS. Mr. Speaker, I submit that the statement of facts which I make without passion or prejudice ought to be thought through by the Members of the House. We have a responsibility to maintain our own amendments. There could have been no favorable action by this body without them. Do we not owe our colleagues who gave unanimous consent that the bill be considered solely because of the Minnesota amendment, the retention of that amendment?

Let's vote down this conference report and reconsider this whole matter in January. No time would be lost for the bill provides that it shall become effective 1 year after approval. In January we could eliminate that provision.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, about 12 years ago the Hawes-Cooper Act was passed, containing an exception which permitted this binder twine to be produced in prisons and distributed throughout the country. Since that time this is the story: About that time the domestic production in free factories was 240,000,000 pounds. Today it is 88,000,000 pounds. About that time the importations of binder twine were 13,000,000 pounds; today they are 50,000,000 pounds. Prison production at that time was about 250,000,000 pounds. Today it is 55,000,000 pounds. The International Harvester Co., to which some of our friends will refer, produces less than 50 percent of the total of the binder twine, and most of it is made in independent factories. It is a declining industry. The domestic consumption has fallen from 234,000,000 pounds to 190,000,000 pounds in the period to which I have referred.

This bill is designed to finish the job as far as it can be finished. The conference has resulted in a compromise by which the institutions that produce parts for farm machinery are allowed to continue doing so and to distribute them in interstate commerce. Binder twine is cut out. It does not seem as if we ought to go on any longer producing goods in prison factories to compete with goods produced by free labor.

At the time the Hawes-Cooper Act was passed there was a general conference in which the State institutions rather agreed that in 5 years a change would be made and that all of the interstate commerce of prison-made goods would be wiped out. I was very familiar with that situation at the time and was very much interested in it and was one of the promoters of that bill. When the 5 years passed there was a distressed situation in the country and the transportation of prison-made goods has been allowed to go on 7 or 8 years beyond what it was supposed to.

At this time with this compromise it seems to me that farm institutions are being well and very favorably dealt with. The manufacture of binder twine is a declining industry in which the price cannot be especially high anyway, nor can there be any margin because of the increasing imports and the declining demand due to the use of combines in harvesting.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MOTT. As I see it, the compromise in this conference report consists merely of cutting out the exemption on binder twine. It exempts farm commodities.

Mr. TABER. It exempts parts for farm machines. It does not seem right that prison industry should go on increasing their production at the expense of free labor as they have been.

Mr. EATON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. EATON. What is included in the words "agricultural commodities"?

Mr. TABER. I think the gentleman from Alabama described that as well probably as it could be: Things that were produced in the prisons themselves. I do not believe it would cover things that were manufactured, that were produced elsewhere than in the prisons.

Mr. EATON. Suppose the prison had a farm, what would be the situation?

Mr. TABER. It would be able to process its own stuff and send it out anywhere.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. GILCHRIST. In the case of linen, what the prison produces would not be prohibited by this act?

Mr. TABER. Provided they produced the flax.

Mr. GILCHRIST. Yes; the flax itself, or the cotton itself, would not be prohibited.

Mr. TABER. No.

Mr. Speaker, I hope this conference report will be adopted.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, in the beginning, be it thoroughly understood that I am absolutely opposed to the general principle of permitting the sale of convict-made goods in competition with goods manufactured and produced by free labor. I have always entertained these views and during my service in Congress I have acted accordingly.

This bill, referred to in the conference report, is no stranger to Congress. For many years it was introduced session after session. In those days it had the support of organized labor. After a time the States manufacturing certain commodities in their penitentiaries and representatives of organized labor and the manufacturers got together in an effort to solve this vexing problem. The result was an investigation by a special committee of Congress. After that committee reported there was enacted what is commonly known as the Cooper-Hawes law. This law was a compromise, or an agreement, between all of the parties interested. All recognized the problem which confronted the State penal institutions. All wanted to help solve this problem with as little inequity as possible to any of the groups affected. The Cooper-Hawes law has worked well. No new prison industries have been developed under the Cooper-Hawes Act which in any way interfere with free labor, yet at the same time the States have been able to find some kind of employment for the prisoners. We all realize that finding employment for large numbers of institutional inmates is a very difficult thing to do. They cannot be left idle. That is inhuman.

Some months ago this bill was introduced and referred to the Committee on the Judiciary. A subcommittee gave consideration to the bill and reported it back to the full committee adversely. By unanimous action of the full committee the bill was then placed on the table, which means that the full committee accepted the recommendation of the subcommittee and disposed of the bill adversely for the session.

Later the bill was taken from the table and found its way to the calendar of the House. No hearings were held on the bill. When it was discovered that the bill had been favorably reported and was on the calendar those vitally affected began to make inquiry. As a result, the Judiciary Committee took the bill up for further committee consideration and unanimously authorized what has been referred to as the "Minnesota amendment," exempting from the operation of the proposed law binder twine and farm machinery.

The gentleman from Alabama [Mr. HOBBS], a member of the committee, called the bill up before the House on unanimous-consent day. I made inquiry on the floor of the House and felt I had the assurance that if the bill were permitted to pass the House the House conferees would not agree in conference to eliminate the farm-machinery and binder-twine amendment. With this understanding, the bill was permitted to pass the House.

Now the majority of the conferees have eliminated this amendment and have recommended to the House that the House abandon the position taken by the Judiciary Committee and by the House when it unanimously passed the bill and accept the bill passed by the Senate. That is what is before us today. This is just another reminder that no legislation should be permitted to pass the House by unanimous consent where the legislation will go to conference, because the unanimous-consent understanding in the House cannot technically bind the conferees.

The principal proponents of this bill are the cord and machinery manufacturers and those engaged in manufacturing commodities of that type. Organized labor did not appear before the committee and did not urge the passage of the bill. My judgment is that organized labor was content to abide by the agreement reached when the Cooper-Hawes law was enacted. I do know that up to date the prison industries have not done any material damage to free labor. Of course, everything manufactured in a prison must be used by someone. It matters not whether the State uses the manufactured product or whether the goods enter the general market. They certainly replace something that free labor would have manufactured. That is conceded. Yet we have this prison problem, and it has been well cared for in the Cooper-Hawes law. Under that law any State can prevent the sale of prison-made goods in the State if it so desires, and the Federal Government will protect it against outside importation.

Mr. COCHRAN. Will the gentleman yield?

Mr. MICHENER. I am sorry; I cannot yield. I only have 5 minutes and can get no more time.

The Members who are most enthusiastic in supporting this conference report today are not those Members who are usually leading the fight for organized labor in the House. Of course, I do not make reference to the gentleman from Massachusetts [Mr. HEALEY], who is a recognized leader of organized labor in this body. I admit that I have a State prison in my district where more than 5,000 prisoners are employed. There are other prisons in Michigan where prisoners must also be employed. There are a number of States in similar condition. The Members coming from these States naturally have a special interest in this legislation. On the other hand, the Members who are advocating this report, and who have cord factories, farm-machinery factories, and twine factories in their respective districts possibly also have a special interest in this legislation. I am sure that there are some such institutions in New York, and that possibly some of the Members from the New York districts are advocating this conference report.

Mr. HANCOCK. Which gentleman from New York is the gentleman referring to?

Mr. MICHENER. Possibly I might refer to the gentleman who is making the inquiry.

Mr. HANCOCK. I have not any binder-twine factories in my district and I would not change my opinion on a bill like this.

Mr. MICHENER. Possibly the gentleman from New York does not have a binder-twine factory in his district. I feel sure, however, that he would not change his opinion even though he had an international harvester concern, a cordage factory, or other manufacturing institutions affected by this legislation in his district. The gentleman is one of the most courageous men in Congress, and I would not want to indicate that he was ever influenced by any selfish motives. If he has none of these institutions in his district, then I do not want this remark to apply to him.

If this bill and conference report simply made it impossible to ship in interstate commerce any prison-made goods,

that would be one thing. However, this bill does contain exceptions. All farm products and farm commodities are excepted. That, of course, includes the products in processing plants, like canning factories, cheese factories, and the like. This bill also does except farm machinery parts. It also permits the shipment of all manufactured commodities from Federal prisons to any part of the United States, or its possessions, to be used by the Federal Government anywhere in this territory. Just why should a Federal prison in Georgia be permitted to send convict-made goods from Georgia in interstate commerce to New York, there to be used by the Government, and thus replace goods manufactured by free labor? On the other hand, this bill would make it impossible for the State prison in Michigan to sell to the State of Ohio, or to the farmers in Ohio—an adjoining State—binder twine to be used either by the State or by the farmer. Under the Cooper-Hawes Act that decision is left to Ohio. This bill brings more control from Washington.

Time will not permit further discussion. I fully realize that this conference report is going to be adopted. However, I shall offer a motion to recommit this bill to the conference committee. If this is done, the conference committee will be instructed to proceed further in the consideration of this whole matter. Free labor can then insist that all exemptions be taken out of the bill and that all industry be given an equal break. On the other hand, these States, where prison industries have been established for many years, and which are operating satisfactorily under the Cooper-Hawes law and without particular injustice to any manufacturer or to free labor, can be given an opportunity to present their case more fully. Remember, no hearings were held on this bill. This is not an emergency matter. There is no excuse for any hasty action, because the bill by its very terms does not take effect for 1 year from the time it is enacted. Why, therefore, should we not recommit the bill and give this important matter the consideration to which it is entitled? Any other course works a grave injustice.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, for years industry, labor organizations, and State officials could not agree on a general policy which would provide for the employment of convict labor. Competition between free labor and convict labor continued on the increase. Then came the contract system in several States, resulting in scandal after scandal. Finally the Congress decided to step in, so far as interstate transportation of convict-made goods was concerned. A resolution was passed by this House creating a special committee to investigate the subject, especially in reference to the employment of convicts in Federal penitentiaries. This committee was headed by a former Member of the House, Mr. Cooper, of Ohio; and the gentleman from New York [Mr. TABER], who took his seat a moment ago, was one of the members. As the result of that investigation, Federal Prison Industries, Inc., was provided for. Since that time Federal prisoners have been engaged in diversified industries. The objective was to spread the work into various occupations, so that as far as it was possible competition with free labor would be held at the minimum. Everyone agreed some provisions must be made for the employment of convicts, especially the long-term convicts. That has been a remarkable success.

Attention was then turned to the States, and finally the Hawes-Cooper Act was passed. It was, we all admit, impossible to put that act into immediate effect, and 5 years was provided to enable the States to meet its provisions. The right to ship prison-made goods to States that did not prohibit the sale of convict-made goods was one of its provisions.

I do not feel that my own State has passed proper laws; but regardless of that situation, I am in favor of this legislation. I say to my State do as you should do and reduce to the minimum competition with free labor.

If we can provide for diversified industries, manufacturing, say, what is needed for State institutions, the problem will be met.

Aside from that, we should always bear in mind the future of the convict. What good will it do to teach a convict a trade if he cannot secure employment when he leaves the institution? In connection with binder twine, penitentiaries have so crippled the industry that there is a surplus of trained men and women and no place for the convict to go to look for work when he is released. If men are not trained in some occupation where they can get work, then there is danger that they will soon be back in the penitentiary.

As I said, there was a general agreement that within 5 years the States would by law or rules and regulations meet the requirements of the Hawes-Cooper Act. It now becomes our duty to see that this agreement is kept. Why, if you exempt binder twine and farm machinery, then every State that wants to disregard the law will soon be found to be engaged in making twine and machinery. No one will deny that. What will become of this industry and the employees?

Mr. Speaker, I hope the conference report will be approved and that the agreement made between the States, industry, and labor will be lived up to.

Mr. HEALEY. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Massachusetts, who has taken such an active interest in this legislation.

Mr. HEALEY. Does the gentleman know that the A. F. of L. and the C. I. O. are solemnly back of this?

Mr. COCHRAN. I do know, and I also know the great majority of the States and industry favor this bill. Further, I took an active interest in passing the original bill, and I want to do what I can to see that the agreement is carried out. Therefore, I support the conference report. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I am not one of those who favors competition for private labor with convict labor, and when I speak against this conference report I speak as a friend of free labor in this country. Those who are advocating the adoption of this report, when it comes down to the final analysis, may find they are not the real friends of labor for reasons which I will point out.

There are eight States engaged in the manufacture of binder twine, and one State in manufacturing farm machinery and binder twine. If this report is enacted into law the first thing that will happen will be that other States not now engaged in the manufacture of binder twine in their prisons—and should they need binder twine in the respective States—will become so engaged because the machinery is not expensive to set up.

In the second place, if the cordage companies engaged in the manufacture of binder twine secure a real monopoly on it in this country they are going to boost the price. When they boost the price they are going to increase the imports into the United States which have run approximately 75,000,000 pounds a year. The main complaint, coming from the lips of the representatives of the cordage interests, was that their trouble was not from competition with the prisons but from competition with cheap foreign labor that is manufacturing binder twine and sending it into this country. Foreign-made binder twine is sold in the State of Minnesota, yet the prison in the State of Minnesota produces binder twine. The foreign binder twine is sold cheaper than the binder twine manufactured in the State prison.

Let me call attention to another thing. This bill exempts farm commodities.

What are they? Farm commodities take in everything that is produced from the soil, whether it is sold in its natural state or as a processed product. This bill encourages the sale and manufacture, by prison labor, of cotton and cotton goods, after the cotton has been processed, or tobacco or processed tobacco, or vegetables or canned goods, cattle

or packing-house products, hogs or hog products, wheat and flour, and I could go down the line and take in dairy products or any other farm commodity, whether in its natural or processed state. So you are encouraging all prisons in the United States to go into the production of farm products for interstate transportation without any restriction whatever. That is what is going to happen, and you will then find hundreds of thousands of laboring men who are now engaged in free enterprise suffering from the competition you are now seeking to prevent by action on this conference report.

I call this to your attention because I feel that after all the bill came out of the committee without due consideration. It would be far better for us in the interest of free labor in this country to recommit the conference report, send the bill back to the committee, and give it further study so that we may really protect labor in this country rather than create something here that may work a jeopardy upon the whole future of labor in the United States.

Mr. GEARHART. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from California.

Mr. GEARHART. Since the phrase "farm commodities" is not defined in the bill, is it not possible that it might be defined in the courts to include anything manufactured for use on the farm as well as produced on the farm?

Mr. AUGUST H. ANDRESEN. They could not do otherwise, because "agricultural commodities" takes in every farm commodity. If it is processed in a prison it would still be an agricultural commodity and exempt from the operation of this bill.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Alabama.

Mr. HOBBS. Is it not a fact that under its provisions this bill will not take effect for 1 year after it is signed by the President, so that if this conference report is voted down we can in January consider this subject anew and act intelligently and without any question as to whether or not we are doing violence to our agreement?

Mr. AUGUST H. ANDRESEN. The gentleman is absolutely correct. That is what should be done in the interest of American labor. I hope, therefore, that this conference report will be returned to the committee. Let the committee hold hearings on the subject, and then get a real piece of legislation for the benefit of American labor. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Speaker, this is the first time the House has really looked squarely at this Minnesota amendment. My dear friends from Minnesota prate about their love for free labor in general, but they jump over and argue in favor of conscript prison labor for their State. That is an example of the famous "Minnesota shift." [Laughter.]

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. VORYS of Ohio. I refuse to yield.

Our only chance to make a real step toward eliminating convict labor at this session is to vote for this conference report. If we vote it down, you know it will never come out again this year.

I know of an instance of a small farm-implement factory, not in my own district but in Ohio, that employs 400 men, that has lost half of its business in 2 Western States because of Minnesota prison-labor competition. The prison, with no taxes to pay and with power to pirate patents, may eventually run this plant out of business. We have gone far in the past few days toward creating a situation where we may have conscript labor in this country. Let us not take a step here that, in order to permit prison labor to be employed, will throw free labor into unemployment. That is the proposal that is made when you try in any way to prevent this conference report from going through today.

I wish the bill were more sweeping than it is, but this is the best the conferees can secure, and it at least is a step in the right direction, the direction of protecting free American labor against the men who work in prisons. I urge that this House support its conferees, who have gone into this matter thoroughly, and support free American labor and private industry. This is the first and last chance the House will have to look squarely into the implications of this so-called Minnesota amendment, which would permit the manufacturing of machinery by prisoners in competition with free American workmen. This bill gives a fair outlet for prison labor; all States and their subdivisions may buy such products. Let us save the private free market for private free labor and not condemn free Americans to the "idle house." [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Speaker, one of the biggest problems we have in America is how to take care of the prison labor and what to do with the men. The ordinary State has about one in a thousand in the penitentiary or in some kind of incarceration. If a State has a population of 5,000,000 you will have 5,000 in prison, and these men are constantly going in and going out in large numbers. The ordinary prison sentence of 2 years means 10 months' incarceration. Under the ordinary parole now practiced in practically all States those prisoners walk out into society. That crowd is large going in and going out. Free labor, as you say, or organized labor, I think is making a great mistake in not helping form some kind of a plan to take care of these poor devils who go to the penitentiary, stay there a few months, and then have to try to make their way back into society.

I am going to vote against this conference report. I am for free labor and I am for organized labor, but there is certainly a real problem that must be solved by the States. I understand the importance of noncompetitive prison labor. As Governor of the State of Oregon I went a long, long way to establish the Oregon long-fiber-flax industry with prison labor. I tried to get hold of an industry which had no competition in the United States. We import most of our fiber flax from Belgium, Russia, and the European countries. This bill would destroy that unique industry and ruin the flax farmers for the benefit, not of labor, but of monopolies.

In the penitentiaries they should raise everything they can raise for their own use, and then they should be allowed to manufacture products and send them to other public institutions in the State, like insane asylums. The number of insane is about three times the number of those in penitentiaries. It will run about that figure throughout the United States. All the clothing and shoes and any other things that are consumed by the insane and those confined for feeble-mindedness should be made in the prisons. The number of feeble-minded, that is, those who cannot take care of themselves, runs in the States a little more than those in the penitentiaries and about half of those in the insane asylums. If all the feeble-minded were in there we would not have institutions enough to hold them [laughter] but, really, there is a great problem here, and this conference report ought not to be adopted. Organized labor ought to get together with a Governor's conference and work out a plan by which, if one State is making shoes, they can sell or trade them with other States for their prison-made goods.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. PITTENGER. Is it not the binder twine and machinery trust that is against this Minnesota amendment?

Mr. PIERCE. I have heard so, and I think it is true. I do think the conference report ought to be voted down. [Applause.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 3½ minutes to the gentleman from Minnesota [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, as the Member from Minnesota who offered the amendment to exempt farm machinery and binder twine, which was adopted by the House, naturally I am opposed to this conference report which strikes out my amendment.

You have heard the question of the ethics of this thing discussed very ably by the distinguished gentleman from Alabama [Mr. HOBBS]. I am not going to touch on that although I consider it important, but I do want to mention two aspects of this thing which have not been mentioned so far in the course of this debate. One of them is this: If you are going to say to the States that they cannot sell or manufacture and sell their products in interstate commerce, then are you not destroying another part of States' rights which we have so jealously guarded during the 150 years of this Nation's existence? If you do this, how far is it to the next step where, as suggested by my colleague from Minnesota [Mr. ANDRESEN] when the States set up their own plants to manufacture machinery and binder twine, you are going to say to them, "You cannot ship that outside the State, notwithstanding the fact it is manufactured by free labor, as you say." As long as we have the excellent Hawes-Cooper Act which is working so well and which gives each State the right to decide for itself whether it wants its people to patronize prison industry, I can see no need for a change.

The second point I want to make is that this is a double crack at the farmers. Of course, they are unorganized in this fight, and they have no "well oiled" lobby here in Washington to protect their interests, and I say it is a double crack at them because you are going to specifically exempt, under this conference report, agricultural products or commodities, therefore making competition by the prisons for the free farmers who have not yet gotten themselves into jail; and in addition to that, you are going to force off the market and take away the protection for our farmers, especially in the Northwestern States, the protection which they now have against the Machinery Trust and the Cordage and Twine Trust. I understand at one time farmers in the Northwest were forced to pay 20 to 25 cents a pound for their binder twine whereas, today, because we set up these plants to protect our farmers, they are getting it for between 7 and 8 cents a pound, and I understand that the difference between our excellent binders and reapers, mowers, cultivators and rakes made in our prison factory at Stillwater, in my district, runs approximately $40 on the more expensive machines as compared to the ones sold by the Implement Trust. You are taking a double crack at the farmers when you remove that check or that governor on prices, and you will find not only will they not get the benefit of this saving as now which has amounted to millions of dollars throughout the Northwest States during the past few years, but you are going to see that the prices skyrocket upward on all these things because there is no check; and in the name of the farmers of the Northwest I beg of you to think twice before you vote to adopt this conference report. It should be voted down. [Applause.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. GEHRMANN].

Mr. GEHRMANN. Mr. Speaker, certainly no one would accuse me of ever being opposed to labor. I know that my first election to the State legislature was at the insistence of labor and my election here to the Congress was due to the insistence and with the support of labor. They were the ones, organized labor, that got me here and I have never deserted them. Organized labor that understands the farmers' problems does not want the binder-twine manufacture eliminated, because they know that 20 years ago when we first started the fight against the monopoly of the Cordage Trust and the monopoly of farm machinery, the farmer was the goat, and the farmer will be the goat if this is eliminated, because 20 years ago when prices were lower than they are today, materials as well as labor prices, the farmer paid from 20 cents to 25 cents a pound for binder twine, and I bought lots of it because I have been on the farm all my life. In those same years, and during the World War, you will recall that we bought our binders for $115 to $125. Today those same binders cost $225 and $240. Is there anyone that will hold that labor is getting more today than they did during the war? Is there anyone today who will contend that materials that go into these farm machines cost more today than they did during the World War? It is simply because of the most vicious and best-organized trust, the Farm Machinery and the Cordage Trust, that we have been denied exemption for binder twine, and they are back of this thing. We do not want any exemption other than that. I am not in favor of manufacturing and shipping in interstate commerce all kinds of products, but the farmer is unorganized and the farmer is the one that is the goat, and nobody else is going to benefit by it except the Cordage and Farm Machinery Trust. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1½ minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I simply wish to ask the chairman a question. Under the language of some of the bills that we have which deal with sales in interstate commerce and the application of legislation to interstate commerce, there have been rulings that where sales were made in intrastate commerce that were in competition with sales in interstate commerce, the activity came under the ban of the restriction. I want to ask the gentleman if, under the language adopted by the conference report, this legislation will have any bearing whatever upon the selling of prison-made binder twine within a State.

Mr. SUMNERS of Texas. Does the gentleman mean in the State of production?

Mr. CASE of South Dakota. In the State of production.

Mr. SUMNERS of Texas. I do not think so; no.

Mr. CASE of South Dakota. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman yields back one-half minute.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES of Ohio. Mr. Speaker, I wish first to answer the argument of the gentleman from Kansas, Judge GUYER, in regard to the production of binder twine in the prisons of Kansas. This bill will not affect in the least bit the ability of prisons to make products and sell them in their own State. Minnesota can make farm implements and sell them in their own State if this conference report is adopted. Any State can make their own products for consumption in their own State. If this conference report is adopted it will stop the sale in interstate commerce of farm implements.

Mr. ALEXANDER. Will the gentleman yield?

Mr. JONES of Ohio. No, I am sorry. I do not have time. The farm-implement industry is an old industry. Many of the patents that were granted to farm-implement companies have expired. Therefore, there is reason for the steady expansion of the production of farm implements in prisons. Prisons are not curtailed in many instances by patent rights of private manufacturers. As a matter of fact, the Minnesota prisons go into territory operated by competitive private manufacturers with a product so much like the products of one private manufacturer. The only difference in them is the paint and the color of the product.

Prison labor cannot be fair competition for private labor. One cannot say "I am a friend of free labor," and then say "I am against this conference report so that a prison can make these particular things." We must either protect free labor or we are not being true to that ideal of competition.

The farmers in my State will not gain any advantage if prison-made farm implements are allowed to be shipped in interstate commerce. The State statutes prohibit such sale in Ohio. If Minnesota prisons put four or five hundred people out of work in my State and cause private factories to close down, four or five hundred more men will go on relief, and the farmers in my State will have to help pay the burden of keeping them on relief. In Ohio, rejection of this conference report is a blow to free labor as against prison labor and a blow to the farmer who will have to pay for relief of the

unemployed, who have been displaced by prison labor. In addition they pay a higher price for the farm implements caused by the slowing down of production of private plants whose markets are displaced by prison-made goods.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, I am for free labor. This bill does not protect free labor, provided it is farm labor. Under this bill prisons can make and produce all of the agricultural commodities they wish to produce. They can produce canned goods—tomatoes, corn, cotton, flax, hogs, beeves, bacon, lard, meat, potatoes, and every other farm commodity that they want to, and they can then sell in interstate commerce everyone and all of these things. The free labor of the farmer is not protected. Why do you allow agricultural commodities to be produced on the prison farm, and sold from them, and then provide in the same bill that everything that the farmer buys shall not be protected?

Mr. COCHRAN. Will the gentleman yield?

Mr. GILCHRIST. No. I only have 1 minute.

It was not long ago that a binder would cost a farmer about $120. Now it costs him $350. Why do you not protect farm free labor as well as other free labor? You boys who say "I am so interested in protecting farm free people," all right, let us protect them.

Here as elsewhere in our legislation we forget the interests and rights of farm people. I am not speaking against free labor. All of my public life I have been voting in favor of labor. Many years ago in the State Senate of Iowa I voted for bills which would protect free labor against prison labor. I want to do the same thing here now today, but I want to include free farm labor as well as other free labor. Do not discriminate against the farmer as this report now does. Let us recommit it to the committee and cut out the restrictions against farmers and provide for freedom to their labor as well as freedom to all other labor. And when this is done let us all vote in favor of farm labor and factory labor and of every other kind of labor. I will do so if given the opportunity. I am not opposing the bill but am opposing unjust discrimination against country people. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Speaker, there is no State in the Union that has gone further to protect free labor from prison-labor competition than the State of Wisconsin. When we established our twine plant in that State in 1913 we had the cooperation of many labor members in that farmer-controlled legislature, because we wanted to get away from the old contract-labor system which was then in vogue in the State penal institutions.

This bill not only attacks the interests of the farmers, particularly of my district, but it also is not a labor bill, because it provides that it shall not apply to commodities manufactured in the District of Columbia penal or correctional institutions for use of the Federal Government, or to commodities manufactured in any State penal or correctional institution for the use of any other State or subdivision thereof. Under this particular bill the Federal and District institutions could set up shoe factories, blanket factories, and similar industries and sell the products to all State and county institutions in the United States. Call that a bill in the interest of free labor? [Applause.]

On the contrary, it opens the field for many new products which now are not made in any penal institution. Furthermore it will permit prison farms to produce and process their own commodities and sell on the open market in competition with the free labor of both farms and industries.

The measure has been carefully drawn to permit interstate and foreign commerce in prison-grown cotton, for instance. Such prison farms in Southern States are now producing cotton, selling it in the open market, and are receiving the full benefit of the A. A. A., soil conservation, and parity payments. The southern prisons under this measure may install canneries and sell canned goods in competition with northern farmers and the free labor of our canneries in the Northwest. Proclaiming the measure as a protection to free labor, the lobbyists of the special interests which are backing this bill have been particularly careful of the interests of the cotton-growing States which do not have twine plants in their prisons.

The twine plants in the Wisconsin and Minnesota prisons were established years ago, when the makers of binder twine combined to maintain prices at levels nearly double those of the present. They were intended to relieve farmers from extortionate charges for a farm necessity. In that way they have saved the farmers of the two States millions of dollars. The plant in the Minnesota prison manufacturing farm machinery was established for a similar purpose, and it has been successful also.

This is a bill to add to the profits of the cordage trust at the expense of the farmers and the laboring men as well. As I have explained, it will open new competition to labor in private industry far in excess of any alleged competition now coming from the prison labor of only eight States which have twine industries.

It is a bad bill and the conference report should be overwhelmingly voted down.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield one-half minute to the gentleman from Minnesota [Mr. ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, in the short 1 minute I have allotted to me, as a Member of Congress who has had much practical farming experience, I want to say to you Members of the House that if you desire to place the equivalent of a $10 tax on every quarter section of farm land in the United States, then vote for this conference report. If you vote for this conference report which is in the interests of the farm machinery monopoly and Binder Twine Trust, then stop talking about being helpful to those who are trying to make their living on the farms of this Nation.

Furthermore, my record here in the House shows that I have always been friendly to labor and this bill is manifestly unfair, not only to the farmer, but to farm labor. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, for a long time, of course, there has been conflict between those interested in the rehabilitation of persons incarcerated in penitentiaries and similar institutions, and those interested in protecting free labor against the competition of the people incarcerated in these institutions. A compromise has been worked out and generally agreed to that persons incarcerated in these penal institutions, that is, the institutions, may produce by prison labor and sell to these agencies of government of which they are a part or to which they are related those things which are used by these governments or such agencies. Anything that is produced in a State by the prison labor of that State may be sold in the State. Of course, this bill is in harmony with that general agreement. This bill does not attempt to touch that.

Under the bill, not the conference report, you remember that a State that produced more of the things in its prisons than the State used or than the State could consume within the State could swap its surplus with another State similarly situated. What we have done is to prohibit, with a few exceptions, the transportation in interstate commerce of prison-made goods.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Not for the moment.

If you do permit prison-made goods to enter the general field of commerce, you create a condition under which private manufacturers of those commodities have to compete with prison-made goods, and free labor in general commerce must compete with convict labor.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield for a question?

Mr. SUMNERS of Texas. Not for the moment.

Mr. ALEXANDER. The question will take only half a second.

Mr. SUMNERS of Texas. Not until I complete my statement.

Those interested primarily in rehabilitating prisoners and those interested primarily in protecting free enterprise and free labor against prison factories and prison labor have tried to make it possible for these men in the prisons to work, but to restrict their market to the State where they produce.

Now I yield very briefly to the gentleman from Minnesota.

Mr. ALEXANDER. Does the gentleman know that only one-twentieth of 1 percent of the goods manufactured in prisons compete with similar goods manufactured by free labor in the United States?

Mr. SUMNERS of Texas. I do not know the percentage but I do know that if we do exempt these two commodities, binder twine and farm machinery, then we naturally turn into the production of binder twine and farm implements the productive energy of the penitentiaries of the country, and these manufacturers and workmen who are engaged in producing binder twine and farm implements with free labor will have to meet this combined productive energy of the penitentiaries.

We have, however, established the general policy of prohibiting the shipment in interstate commerce of the product of prisons, and to make these exceptions would turn the productive energy of the penitentiaries against the laborers in these particular industries.

[Here the gavel fell.]

The SPEAKER pro tempore. The time of the gentleman from Texas has expired, all time has expired.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I move the previous question on the conference report to its adoption or rejection.

The previous question was ordered.

Mr. MICHENER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. MICHENER. Certainly.

The SPEAKER pro tempore. The gentleman qualifies.

The Clerk read as follows:

Mr. MICHENER moves to recommit the conference report to the conference committee.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MICHENER. If this motion should carry, the conferees would then be permitted to go back and cut out all the exemptions which they have included here if they wanted.

The SPEAKER pro tempore. The whole matter would be before the conferees.

The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. MICHENER) there were—ayes 28, noes 94.

Mr. HULL. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and seventy-nine Members are present; not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 40, nays 262, not voting 127, as follows:

[Roll No. 216]

YEAS—40

Alexander	Bolles	Carlson	Crowther
Andersen, H. Carl	Buckler, Minn.	Coffee, Nebr.	Curtis
Andresen, A. H.	Burdick	Crawford	Doxey
Dworshak	Hull	Mundt	Rogers, Okla.
Ford, Miss.	Johns	Murray	Stefan
Gehrmann	Knutson	Pace	Sweet
Gilchrist	Lambertson	Pierce	Talle
Guyer, Kans.	McGehee	Pittenger	Whittington
Hawks	Massingale	Reed, N. Y.	Winter
Hobbs	Michener	Rees, Kans.	Youngdahl

NAYS—262

Allen, Ill.	Doughton	Kean	Rich
Allen, La.	Drewry	Keller	Richards
Anderson, Calif.	Duncan	Kelly	Robertson
Anderson, Mo.	Dunn	Keogh	Robinson, Utah
Andrews	Durham	Kerr	Robsion, Ky.
Angell	Eaton	Kilday	Rodgers, Pa.
Arends	Eberharter	Kinzer	Rogers, Mass.
Austin	Edelstein	Kitchens	Romjue
Ball	Edmiston	Kleberg	Routzohn
Bates, Ky.	Ellis	Kocialkowski	Rutherford
Bates, Mass.	Elston	Kramer	Ryan
Beam	Englebright	Kunkel	Sabath
Beckworth	Faddis	Landis	Sasscer
Bell	Fenton	Lanham	Satterfield
Bland	Ferguson	Larrabee	Schafer, Wis.
Bloom	Flannagan	Lea	Schiffler
Boehne	Flannery	Leavy	Schulte
Boland	Ford, Thomas F.	LeCompte	Scrugham
Boykin	Fries	Lewis, Colo.	Secrest
Brooks	Fulmer	Lewis, Ohio	Shannon
Brown, Ga.	Gamble	Luce	Sheppard
Brown, Ohio	Garrett	Ludlow	Sheridan
Bryson	Gartner	McCormack	Short
Bulwinkle	Gathings	McGregor	Simpson
Burch	Gearhart	McKeough	Smith, Conn.
Burgin	Geyer, Calif.	McLaughlin	Smith, Ill.
Byrns, Tenn.	Gillie	McLean	Smith, Maine
Byron	Goodwin	McMillan, Clara	Smith, Va.
Caldwell	Gore	McMillan, John L.	Smith, Wash.
Cannon, Fla.	Gossett	Maciejewski	Smith, W. Va.
Cannon, Mo.	Graham	Magnuson	Snyder
Carter	Grant, Ala.	Mahon	Somers, N. Y.
Cartwright	Grant, Ind.	Mansfield	South
Case, S. Dak.	Gregory	Marshall	Sparkman
Casey, Mass.	Griffith	Martin, Iowa	Spence
Celler	Gwynne	Martin, Mass.	Springer
Chiperfield	Hancock	Mason	Starnes, Ala.
Church	Hare	May	Sumner, Ill.
Clason	Hart	Miller	Sumners, Tex.
Claypool	Harter, N. Y.	Mills, Ark.	Taber
Clevenger	Harter, Ohio	Monkiewicz	Tarver
Cluett	Hartley	Monroney	Terry
Cochran	Havenner	Moser	Thomas, Tex.
Coffee, Wash.	Healey	Mott	Thomason
Cole, Md.	Hendricks	Murdock, Ariz.	Thorkelson
Collins	Hennings	Myers	Tibbott
Colmer	Hess	Nelson	Tinkham
Cooper	Hill	Nichols	Tolan
Costello	Hinshaw	Norrell	Treadway
Courtney	Hoffman	Norton	Van Zandt
Cox	Holmes	O'Brien	Vincent, Ky.
Cravens	Horton	O'Connor	Voorhis, Calif.
Creal	Hunter	O'Leary	Vorys, Ohio
Crosser	Izac	O'Toole	Vreeland
Crowe	Jacobsen	Patman	Ward
Culkin	Jarman	Patrick	Weaver
Cullen	Jenkins, Ohio	Patton	Welch
Cummings	Jennings	Pearson	West
D'Alesandro	Jensen	Peterson, Fla.	Wheat
Darden, Va.	Johnson, Ill.	Pfeifer	Williams, Del.
Davis	Johnson, Luther A.	Poage	Williams, Mo.
DeRouen	Johnson, Lyndon	Polk	Wolfenden, Pa.
Dickstein	Johnson, Okla.	Powers	Wolverton, N. J.
Dirksen	Johnson, W. Va.	Rankin	Zimmerman
Disney	Jones, Ohio	Rayburn	
Ditter	Jonkman	Reed, Ill.	

NOT VOTING—127

Allen, Pa.	Dingell	Jeffries	Mouton
Arnold	Dondero	Jenks, N. H.	Murdock, Utah
Barden, N. C.	Douglas	Johnson, Ind.	O'Day
Barnes	Elliott	Jones, Tex.	Oliver
Barry	Engel	Kee	O'Neal
Barton, N. Y.	Evans	Keefe	Osmers
Bender	Fay	Kefauver	Parsons
Blackney	Fernandez	Kennedy, Martin	Peterson, Ga.
Bolton	Fish	Kennedy, Md.	Plumley
Boren	Fitzpatrick	Kennedy, Michael	Rabaut
Bradley, Mich.	Flaherty	Kilburn	Ramspeck
Bradley, Pa.	Folger	Kirwan	Randolph
Brewster	Ford, Leland M.	Lemke	Reece, Tenn.
Buck	Gavagan	Lesinski	Risk
Buckley, N. Y.	Gerlach	Lynch	Rockefeller
Byrne, N. Y.	Gifford	McAndrews	Sacks
Camp	Green	McArdle	Sandager
Chapman	Gross	McDowell	Schaefer, Ill.
Clark	Hall, Edwin A.	McGranery	Schuetz
Cole, N. Y.	Hall, Leonard W.	McLeod	Schwert
Connery	Halleck	Maas	Seccombe
Cooley	Harness	Maloney	Shafer, Mich.
Corbett	Harrington	Marcantonio	Shanley
Darrow	Hook	Martin, Ill.	Smith, Ohio
Delaney	Hope	Merritt	Steagall
Dempsey	Houston	Mills, La.	Stearns, N. H.
Dies	Jarrett	Mitchell	Sullivan

Sutphin	Thomas, N. J.	Warren	Wolcott
Sweeney	Vinson, Ga.	Whelchel	Wood
Taylor	Wadsworth	White, Idaho	Woodruff, Mich.
Tenerowicz	Wallgren	White, Ohio	Woodrum, Va.
Thill	Walter	Wigglesworth	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On the vote:

Mr. Lemke (for) with Mr. Halleck (against).
Mr. Hope (for) with Mr. Seccombe (against).
Mr. Keefe (for) with Mrs. Bolton (against).

General pairs:

Mr. Warren with Mr. Wadsworth.
Mr. Dempsey with Mr. Reece of Tennessee.
Mr. Cooley with Mr. Maas.
Mr. Sullivan with Mr. Johnson of Indiana.
Mr. Barden of North Carolina with Mr. Dondero.
Mr. Dies with Mr. Barton of New York.
Mr. Ramspeck with Mr. Thomas of New Jersey.
Mr. Gavagan with Mr. Cole of New York.
Mr. Folger with Mr. Jeffries.
Mr. Buck with Mr. Gifford.
Mr. Rabaut with Mr. Bender.
Mr. Martin J. Kennedy with Mr. Wolcott.
Mr. O'Neal with Mr. Corbett.
Mr. Green with Mr. Rockefeller.
Mr. Camp with Mr. Blackney.
Mr. Steagall with Mr. Risk.
Mr. Michael J. Kennedy with Mr. Osmers.
Mr. Randolph with Mr. Bradley of Michigan.
Mr. Clark with Mr. Harness.
Mr. Martin of Illinois with Mr. Brewster.
Mr. Fitzpatrick with Mr. Wigglesworth.
Mr. McAndrews with Mr. Engel.
Mr. Barry with Mr. Edwin A. Hall.
Mr. Vinson of Georgia with Mr. Fish.
Mr. Whelchel with Mr. McDowell.
Mr. Woodrum of Virginia with Mr. Woodruff of Michigan.
Mr. Buckley of New York with Mr. Kilburn.
Mr. Hook with Mr. Douglas.
Mrs. O'Day with Mr. McLeod.
Mr. Kirwan with Mr. White of Ohio.
Mr. Barnes with Mr. Thill.
Mr. Byrne of New York with Mr. Leland M. Ford.
Mr. Chapman with Mr. Oliver.
Mr. Kefauver with Mr. Sandager.
Mr. Delaney with Mr. Smith of Ohio.
Mr. Boren with Mr. Plumley.
Mr. Sutphin with Mr. Jarrett.
Mr. Fay with Mr. Leonard W. Hall.
Mr. Parsons with Mr. Darrow.
Mr. Lynch with Mr. Gross.
Mr. Peterson of Georgia with Mr. Jenks of New Hampshire.
Mr. Schuetz with Mr. Shafer of Michigan.
Mr. Wood with Mr. Gerlach.
Mr. Merritt with Mr. Stearns of New Hampshire.
Mr. Arnold with Mr. Marcantonio.
Mr. McArdle with Mr. Bradley of Pennsylvania.
Mr. Mouton with Mr. Shanley.
Mr. Dingell with Mr. Elliott.
Mr. Fernandez with Mr. Walter.
Mr. Kee with Mr. Lesinski.
Mr. Taylor with Mr. Sacks.
Mr. Evans with Mr. Flaherty.
Mr. Harrington with Mr. Houston.
Mr. Schaefer of Illinois with Mr. Schwert.
Mr. Kennedy of Maryland with Mr. Sweeney.
Mr. Murdock of Utah with Mr. Maloney.
Mr. Mills with Mr. Wallgren.

Mrs. SMITH of Maine, Mr. RANKIN, and Mr. DITTER changed their votes from "yea" to "nay."

The doors were opened.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech prepared to be made by Speaker BANKHEAD at the opening of the Democratic rally in Baltimore.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland [Mr. D'ALESANDRO]?

There was no objection.

Mr. KEAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in memory of our late colleague, Mr. Seger, of New Jersey, and to include a eulogy by Rev. George H. Talbott.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

ELECTION OF SPEAKER PRO TEMPORE

Mr. McCORMACK. Mr. Speaker, at the suggestion of the Speaker, I offer the following privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 597

Resolved, That Hon. SAM RAYBURN, a Representative from the State of Texas, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of Hon. SAM RAYBURN as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to. [Applause.]

Mr. RAYBURN assumed the chair and was sworn as Speaker pro tempore by Mr. McCORMACK.

CODIFICATION OF THE NATIONALITY LAWS OF THE UNITED STATES

Mr. SABATH. Mr. Speaker, I call up House Resolution 544, and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 544

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 9980, a bill to revise and codify the nationality laws of the United States into a comprehensive nationality code. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, later on I shall yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. Speaker, this rule will make in order consideration of the long-delayed bill covering codification of our nationality laws. The report is unanimous. I think this is the first time that the Committee on Immigration has reported a bill by unanimous vote and I congratulate the committee upon its action.

The rule is an open rule and provides for 1 hour's general debate, after which the bill will be taken up and read for amendment under the 5-minute rule. I have been informed by members of the committee and the Rules Committee has been so informed, that in view of the many months the committee and subcommittee has spent in the consideration of this bill, and due to the further fact that this has the unanimous report of that committee, the 1 hour allowed for general debate will not be utilized by members of the Committee on Immigration. This bill strengthens the arm of the Government, as I understand it, and restricts naturalization. It provides for heavy penalties for any misinformation or false statement on the part of anyone who aids and endeavors to obtain naturalization. There is also a heavy fine provided and properly so, the fine being up to $5,000 and imprisonment not to exceed 5 years.

Mr. Speaker, this bill does not change the immigration laws in any respect. It has the approval of four outstanding departments, and in fact urgent requests for the enactment of this legislation have been made for some time by the Secretary of State, Secretary of the Navy, Secretary of War, and the Attorney General.

Mr. Speaker, I ask unanimous consent to insert the letters urging the adoption of this bill which I have received from the Secretaries whom I have mentioned, as well as an excerpt of a letter from the President of the United States, in which they urge the passage of this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

THE WHITE HOUSE,
Washington, August 27, 1940.

The Honorable ADOLPH J. SABATH,
Chairman, House Rules Committee, House of Representatives.

MY DEAR MR. SABATH:

* * * * * * *

I have no hesitation in believing that the facts and arguments strongly point to the desirability of the rule being granted and the

bill considered by the House with as little delay as possible, which would conceivably result in its becoming a law before adjournment of the present Congress. It seems to me the following facts should be given great weight:

For several years the importance of such legislation has been recognized. I think it was during the first year of my administration that I requested the Departments of State, Justice, and Labor to undertake the preparation of such a measure. In compliance with my request, the officials of the Departments named have done a great deal of work, and those Departments now urge its enactment, and this also appears to be the attitude of the Committee on Immigration and Naturalization, which has reported the bill. Furthermore, it is stated that there is no opposition to the bill. In addition, I am informed that the opinion is entertained in some quarters that its enactment might serve to curb certain "fifth column" activities.

Further detail is unnecessary in view of the communications you have received, and which you have given me the privilege of reading.

Very sincerely yours,

(Signed) FRANKLIN D. ROOSEVELT.

WAR DEPARTMENT,
Washington, June 27, 1940.

Hon. ADOLPH J. SABATH,
Chairman, Committee on Rules, House of Representatives:

I am informed that H. R. 9980 has been approved by the Immigration and Naturalization Committee of the House of Representatives and is now before your committee. This bill has been drawn up in consultation with the State, War, and Navy Departments. The War Department is particularly interested in section 402, which, if enacted, would greatly simplify the important military problems.

I take this occasion to request your good offices in expediting the passage of the bill in question, in the interests of national defense.

Sincerely yours,

LOUIS JOHNSON,
Acting Secretary of War.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, August 21, 1940.

MY DEAR MR. CHAIRMAN: The Navy Department understands that the bill (H. R. 9980) to revise and codify the nationality laws of the United States into a comprehensive nationality code has been approved by the Committee on Immigration and Naturalization of the House of Representatives, and that it is now before your committee for consideration.

It is assumed that the bill will be amended to conform to the provisions of Reorganization Plan No. V, transferring the administration of immigration and naturalization from the Department of Labor to the Department of Justice.

The Navy Department favors the enactment of this bill in the interest of the national defense.

The Navy Department has been advised by the Bureau of the Budget that there would be no objection to the submission of this report.

Sincerely yours,

LEWIS COMPTON, *Acting.*

The CHAIRMAN, COMMITTEE ON RULES,
House of Representatives, Washington, D. C.

DEPARTMENT OF STATE,
Washington, June 13, 1940.

DEAR MR. SABATH: I understand that the Department of Justice and the Department of Labor are asking that, if possible, your committee afford an opportunity, as requested by the Committee on Immigration, for a rule to provide for the consideration as early as possible of H. R. 9980, known as the Nationality Act of 1940. This being assumed, I am writing to say that it would gratify this Department if such a disposition of the matter could be had.

Yours very sincerely,

R. WALTON MOORE,
Counselor, Department of State.

The Hon. A. J. SABATH,
Chairman, Committee on Rules,
House of Representatives, Washington, D. C.

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, June 13, 1940.

Hon. ADOLPH J. SABATH,
Chairman, Rules Committee,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: On June 5 the Committee on Immigration and Naturalization of the House of Representatives committed to the Committee of the Whole House on the state of the Union and ordered to be printed H. R. 9980, designated as Nationality Act of 1940.

The proposed nationality act of 1940 is based on a codification of the nationality laws of the United States, submitted on the request of the President by the Secretary of State, the Attorney General, and the Secretary of Labor and transmitted to the Congress with a message of recommendation by the President on June 13, 1938. It represents 5 years of work by representatives of the Departments of State, Justice, and Labor. It has been a very extensive and important undertaking for the benefit of citizens of this country who, by reason of foreign birth or marriage or family relationship with aliens, are interested in a clarified restatement and codification of our nationality laws. Representatives of the three departments named above have worked closely with members of the Immigration and Naturalization Committee of the House of Representatives through the present session of Congress; and the proposed nationality act of 1940, H. R. 9980, which has resulted, is a piece of legislation which I can recommend highly.

I sincerely hope that your committee may adopt a rule which will admit this proposed legislation to prompt consideration by the House of Representatives.

Sincerely yours,

FRANCES PERKINS.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., June 14, 1940.

Hon. ADOLPH J. SABATH,
Chairman of the Rules Committee, House of Representatives.

MY DEAR MR. CHAIRMAN: It has been brought to my attention that the chairman of the House Committee on Immigration and Naturalization, Mr. DICKSTEIN, proposes to ask a rule from your committee so that the proposed Nationality Code, H. R. 9980, be presented to the House for consideration.

For your information, you are advised that by Executive order dated April 25, 1933, the President designated the Secretary of State, the Attorney General, and the Secretary of Labor as a committee to review the nationality laws of the United States, to recommend revisions, particularly with reference to the removal of certain existing discriminations, and to codify those laws into one comprehensive nationality code. In due course the proposed code was submitted to the President, who in turn sent the matter to the Congress of the United States.

The proposed code has been considered for some time by the House Committee on Immigration and Naturalization under H. R. 6127, which committee has held a large number of hearings on the merits of the bill. The House committee seems to have approved the bill and is ready to submit it to the House under H. R. 9980.

Undoubtedly there is a great need for a nationality code, and it is to be hoped that your committee may aid in having the matter considered by the whole House.

With kind regards,

Sincerely yours,

ROBERT H. JACKSON,
Attorney General.

Mr. SABATH. About 4 years ago the President recommended that a commission be created to study a revision of these laws. This commission, as I recollect, was composed of the Secretary of State, the Attorney General, and I believe the Secretary of the Navy. They agreed on and recommended a bill to the Committee on Immigration and Naturalization, and that committee has spent nearly a year through its subcommittee in perfecting and strengthening the provisions of the bill.

Right here I wish to commend and compliment the Committee on Immigration and Naturalization in its splendid work, and I wish to compliment especially the gentleman from Kansas, who has been the chairman of the subcommittee in charge of this work. He has devoted a great deal of time to this matter and has worked diligently and ably on it. He has prepared a report, which was submitted to the President, who also commended the painstaking efforts of the gentleman from Kansas. I hope that others on the left will follow his example, and when it comes to legislating in the interest of the Nation will show the same accord and unanimity that has been displayed by and within the Committee on Naturalization and Immigration.

In view of the fact that there is no opposition to the bill, and that it comes to us with a unanimous report and is approved by various Departments, I shall not detain the House any longer. I reserve the balance of my 30 minutes and now yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, this bill, H. R. 9980, contains 98 pages. The report accompanying the bill contains 164 pages. Of course, no member of the Committee on Rules has read the entire bill or the report. I, therefore, shall make no comment on the bill.

The rule provides for consideration of the bill in the House. Under general debate and the 5-minute rule the matter can be thoroughly discussed.

I now yield to the gentleman from New York [Mr. KEOGH] 5 minutes. I may say that the gentleman from New York is the chairman of the Committee on Revision of the Laws, and should know something about this measure.

Mr. KEOGH. Mr. Speaker, I stand before the House at this time with a full consciousness of the difficulties that always confront the Committee on Immigration and Naturalization and which particularly confront that committee in times like these. This bill seeks to revise and codify the immigration and naturalization laws into a nationality code. Of course, I am grateful to the gentleman from Michigan [Mr. MICHENER] for his introductory remark about me, but I asked for this time not so much to talk on the substantive features of this bill but rather to call to the attention of the House a matter which necessarily comes to me in my capacity as chairman of the Committee on Revision of the Laws.

The function of the Congress in enacting laws is an important one. It seems to me, though, that the putting of those laws into form and shape so that the bench and the bar and the general public of the country may know what the laws are and may know where to find them is equally important.

Congress took a step that was perhaps the greatest advance in the method of preparing the laws enacted by the Congress when, in 1926 the first edition of the United States Code was prepared and published. In that code all the laws of a permanent and general nature were codified under 50 separate and individual titles, alphabetically arranged. From the date of the publication of that first edition of the United States Code to this very moment your committee has been classifying all the laws permanent and general in nature that have been passed by each Congress.

We took another forward step in the manner and the method of compiling and codifying laws a year ago last January when, under the jurisdiction of the Committee on Ways and Means, title XXVI of the United States Code, which is known as the Internal Revenue Code, was enacted into positive law. That title is the only title of our present code that is positive law. The remaining titles of the code are simply prima facie statements of what the law is. The reference of that bill to the Ways and Means Committee rather than the Committee on Revision was by unanimous consent.—CONGRESSIONAL RECORD, first session, 76th Congress, page 637.

We now have before us this admittedly huge task that has been performed by the Committee on Immigration and Naturalization. The chairman of the Committee on Rules in his opening remark mentioned that the subcommittee and the committee had been working for months and for years on this codification of the nationality laws. I call the attention of the House to the fact that the bill now before us was introduced on Monday, June 3, and was reported by the standing Committee on Immigration and Naturalization on June 5.

I submit to the House, without passing at all on the merits or demerits of this attempt to codify the nationality laws, that we must be careful in the enactment of these various codes else we will, bit by bit and piece by piece, destroy the effectiveness of the United States Code as a whole. I call your attention particularly to the fact that in the bill before us we have this committee taking from United States Code, title V, on the Executive; title VIII on Aliens; title XVIII on the Criminal Code and Criminal Procedure; title XXVIII on the Judicial Code and Judiciary; title XXXIX on the Postal Service; and title XLVIII on Territories and Insular Possessions, various sections of existing law, and bringing them in under this nationality code, which in all probability will eventually constitute title VIII of the United States Code.

We have pending before this House a resolution to create a joint committee composed of members of the Judiciary Committees of this House and the other body to codify the Judicial Code. I am informed that other standing committees of the House are attempting to codify the laws coming within and under their jurisdiction.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 5 additional minutes to the gentleman from New York.

Mr. KEOGH. If your Committee on Immigration and Naturalization can in preparing a nationality code draw from at least six titles in the United States Code, there is no earthly reason why any other committee which seeks to codify the laws coming within its jurisdiction cannot draw from all the titles of the United States Code, including even the pending bill which you will probably enact today. So I say that the result of it is going to be that we will have confusion worse confounded by individual and separate efforts to codify the laws of the United States.

I submit to the House that what should be done and what should have been done in this case is that the nationality code or any other revision of any of the existing laws or statutes of the United States should have been referred to the standing committee of this House which has been constituted for that sole purpose, and under the jurisdiction of that committee any codification or even any revision might be taken. That Committee on Revision of the Laws would preserve and protect the structure of the entire United States Code, to the end that we will eventually have a code composed of those 50 titles enacted into positive law. Thereafter any changes, any amendments, or any revisions of the laws will be a relatively simple matter.

What this House does in connection with the nationality code is personally of little importance to me, but what this Congress does with respect to offering the laws it enacts to the people of this country in such a manner that they can more easily determine what the law is and where it is, is very important to me.

I do hope that in the future, if there are standing committees of this House that are working without legislation before them and, therefore, rendering impossible raising any point of order on the jurisdiction of that committee with respect to codifying or revising existing laws, that they will be good enough to advise the House Committee on Revision of the Laws so that we may consider the effect, not of the particular subject that might be before that committee, but rather that we may consider the effect of this codification on the entire code structure.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. KEOGH. I yield.

Mr. MICHENER. May I call the gentleman's attention to the fact that the House had this experience in the codification of the United States Code. For a number of years the Committee on Revision of the Laws, as members of the committee—and all good lawyers—attempted to recodify the law. It was a splendid effort but so full of errors and mistakes that it just could not be used. It got as far as the Senate, and now the Committee on Revision of Laws, under the gentleman who is now addressing the House as chairman, has the assistance of experts like the lawbook publishing companies and concerns of that kind that know how to codify and who do the work in a proper manner. I am not reflecting on the Committee on Immigration at all. They are all splendid men, but I am a member of the Judiciary Committee, and I do not think the Judiciary Committee would be qualified by experience to codify without expert assistance.

Mr. KEOGH. I may say to the gentleman from Michigan that I am familiar with the difficulties that were confronting the Congress when they sought to enact the entire United States Code into positive law, and that is the reason the United States Code today is simply prima facie evidence of what the law is. It was in the nature of a saving clause that enabled the creation of this code structure of 50 titles into which all the laws of a permanent and general nature may be classified in their appropriate places, but the Committee on Revision of the Laws of the House, under the precedents of the House, has dealt not only with the codifying of laws or the revising of existing statutes, but in some cases or in certain instances that committee has had referred to it bills which change existing law or which enact new law. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, as the gentleman who preceded me has stated, this is not a very easy matter. We are now addressing ourselves to the situation of whether or not we shall adopt this rule. It goes without saying that most likely we will adopt the rule, and as far as I am concerned, I shall not object to the rule because there is no question but that the naturalization and immigration laws of the country are very much confused and need codification. I would not say that these laws are antiquated because the immigration laws and the naturalization laws both are comparatively new, so far as the law goes, as most of the important immigration laws have been passed since 1917. We are not considering here today the laws controlling the admission of individuals into the country or the deportation of them from the country. That is a subject by itself, and the law relating to the admission of immigrants and the expulsion of immigrants is also in such a state that they should be revised and codified. As I understand it, we are dealing today simply with the one subject of naturalization. That means conferring citizenship on those who are here and those who have a right to come. When we start out to confer citizenship we have to investigate as to whether that alien is here properly. That is the first thing to be determined, and if he is, then we proceed to naturalize him. This bill that we are considering will codify the laws on this subject so that they may be more easily understood.

I understand further there are a good many amendments that should be offered to the bill. It is impossible for any one individual to stand here and say this bill is right in every respect or that this is all wrong. Unless he has spent much time on it, it is impossible for him to fit it together, and nobody knows that any better than the lawyers and those who have tried it.

I want to say by way of compliment to our good and distinguished friend, the gentleman from Kansas [Mr. REES] he has spent many days and the days of many months in codifying these laws, working with the office of the Secretary of State and the office of the Secretary of Labor and other Government agencies. In my work in connection with immigration and naturalization I have always found it very satisfactory and very worth while to consult the Secretary of State's office.

I have done that in all my experience here, regardless of whether he was a Republican or a Democrat, because the career men in the office of Secretary of State generally know this subject. They generally know it well. Their idea of how it ought to be administered has always met with my approval. As I understand it, they have worked on this bill. They have spent many hours on it and they have approved most of it. Standing alone I would be willing to accept their approval, but I understand there are some sections that have not entirely met with the approval of the office of Secretary of State, but which have met with the approval of the other departments of Government. I shall withhold my support or refusal to support this bill until I hear more from those who are familiar with its details. I think it behooves all of us who have been for restriction and those who have not been so strong for restriction to understand what is before us. Let us adopt the rule and then let us consider page by page this important codification. Immigration and naturalization are not a difficult subject to understand, because they deal with humanity and with human beings. But the laws on these subjects have been passed piece by piece and need to be reconciled. The question we will want to know eventually is, Does this codification infringe upon fundamental law as we understand it now? If it does, does it infringe in a way to improve it or to weaken it? Then we will govern ourselves accordingly.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. DICKSTEIN. There is nothing in this that affects immigration, the quota laws, or anything the gentleman is talking about. We are simply strengthening the arm of the Government with a number of substantive laws to do away with dual nationality; strengthening the arm of the Government dealing with naturalization and other important substantive facts that this Government needs, particularly in this time of emergency.

Mr. JENKINS of Ohio. I am glad to have that assurance from the gentleman, and I hope it works out that way.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield the gentleman 1 additional minute.

I want to say to the gentleman from Ohio, who was a former member of the Committee on Immigration for a number of years, that the House has come to have great respect for his judgment on matters affecting the immigration laws. I realize that he is now a member of the Ways and Means Committee, but I would ask the gentleman if he has given consideration to this bill.

Mr. JENKINS of Ohio. I thank the gentleman for his comments, but I am sorry to say I am not as familiar with this as I should be. But if I have the assurance of the Committee on Immigration that it has gone into this thoroughly, and if this work meets the approval of the experts in the office of the Secretary of State, I shall be glad to support it, because for years I have recognized the necessity for codification.

Mr DICKSTEIN. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman.

Mr. DICKSTEIN. It not only has the approval of the State Department, but also the Department of Justice, the War Department, and every department of our Government, as recently as yesterday.

Mr. JENKINS of Ohio. I am glad to hear that.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, I am now the ranking minority member of the Committee on Immigration and Naturalization. I prefer to call this codification a clarification or simplification of the present naturalization laws. It is a problem that has been before us for several years. The departments of Government—the State Department, the Department of Labor, the Attorney General's department—have all been working on it and interested in it and concerned about it. Finally, after years of effort, it has been placed in the shape of this bill.

When the question came up in our committee I was asked to recommend someone from the minority side to act on that subcommittee to work it out. I named the gentleman from Kansas [Mr. REES] and the gentleman from New York [Mr. ROCKEFELLER] on our side as two members who would give it serious and earnest consideration; and they did.

They have discussed this matter with me. This codification, as I understand it, is to simplify and clarify, not particularly amend, although it does in some particulars amend wherever it needs amending, but it amends in the direction of a tightening up of this thing. Our naturalization laws have grown up like Topsy and they conflict and overlap, and there was a real necessity, and has been for years, to straighten them out and codify them so that they can be made workable.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. MASON. I yield.

Mr. JENKINS of Ohio. To a student of naturalization it has been patent for a long time that the law ought to be amended and codified for the benefit of the poor immigrant.

Mr. MASON. Yes.

Mr. JENKINS of Ohio. It is not altogether necessary to amend it to put any hardships upon anybody, but to help many fine, poor immigrants who need the law, who need a little sympathy, so that they can get what is coming to them.

Mr. MASON. I wish to say in that regard that when an alien appears in one of our courts and applies for naturalization, there is no orderly questioning. Some courts ask the most ridiculous questions of that alien, and they seem to probe into his ability to answer technical questions rather than questions as to his character, his reputation, his stand-

ing in the community, and how he has acted as a resident preparatory for citizenship. Those things at least ought to be straightened out.

Mr. KERR. Will the gentleman yield?

Mr. MASON. I yield.

Mr. KERR. Knowing the gentleman as I do and having served with him on the committee, I would like to ask if he has thoroughly examined this proposed law?

Mr. MASON. I have not. I have only been consulted on several of the changes that were made. My colleague, the gentleman from Kansas [Mr. REES], who served as acting chairman of the committee who made this report, will answer all the questions on the various parts of the bill.

Mr. KERR. And you know his attitude, however?

Mr. MASON. Yes.

Mr. KERR. And he is in favor of this bill?

Mr. MASON. He is. It was voted out of our committee unanimously.

They say we ought to have had experts working on these things, that we were not capable of doing it. I admit that, but we have had the experts of various departments of the Government working on this for several years.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield.

Mr. KEOGH. I call the gentleman's attention to the fact that one of the sections incorporated in this nationality code deals with the franking privilege accorded the district courts or the Immigration Bureau. I say to the gentleman that if I were a practicing lawyer attempting to find out what rights officials had with respect to the mails, I would more logically look under "Postal Service" than under "Aliens" or any other title of the code. So, from the point of view of immigration officials it may be very good, but we should consider it from the point of view of the public at large.

Mr. MASON. I believe the gentleman is right.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield.

Mr. DICKSTEIN. May I not say to the gentleman from Illinois, the ranking member of my committee on the minority side that the American Bar Association have endorsed this bill in toto. They are happy to know that we are going to do something for the benefit of the country and at the same time plug up a lot of these loopholes that have existed for the last 50 years.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, has the gentleman from Michigan any more requests for time?

Mr. MICHENER. I have no more requests for time.

Mr. SABATH. I do not desire to take any additional time with the exception of saying to my colleague from New York that his statement that the bill was introduced early in June of this year would contradict my statement that the committee had the bill before them for a long while. This is a reprint.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. KEOGH. I did not mean to contradict the gentleman. What I meant was that this committee has indulged in the increasing practice of considering legislation with no bill introduced before the committee. When the hearings are completed the committee then drafts the legislation, and reports it. The Ways and Means Committee does this in almost all instances.

Mr. SABATH. The bill was introduced during the last session of Congress and demand was made for its consideration. If the gentleman had any objection to its reference to the Committee on Immigration and Naturalization he should have raised the point in the House at the time it was referred. The Rules Committee had no jurisdiction to refer the bill to a committee. That power and right is vested in the Speaker, and the Speaker referred the bill to the Committee on Immigration and Naturalization.

Mr. KEOGH. Mr. Speaker, will the gentleman yield for a question?

Mr. SABATH. I yield.

Mr. KEOGH. I am conscious of the fact that a point of order against reference must be made before the bill is reported. I meant to serve notice that our committee proposed to exercise its right with respect to the point of order. We regret that for some reason or for no reason the point of order was not made in this case.

Mr. SABATH. The gentleman is jealous of the rights and prerogatives of his committee, and I am very glad to hear the chairman of a committee seeking additional work, especially when he feels that the work assigned to another committee properly belongs to his own.

I am satisfied now from the speeches I have heard on the part of Members on both sides of the aisle that the bill meets with the approval even of the gentleman from New York notwithstanding the fact the bill was not assigned to his committee.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The previous question was ordered.

The resolution was agreed to.

NATIONALITY ACT OF 1940

Mr. DICKSTEIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9980) to revise and codify the nationality laws of the United States into a comprehensive nationality code.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9980, the Nationality Act, 1940, with Mr. WILLIAMS of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. DICKSTEIN] is recognized for 30 minutes, and the gentleman from Kansas [Mr. REES] will be recognized for 30 minutes.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. DICKSTEIN. Mr. Chairman, this proposed legislation will not only be materially beneficial to the country in the future, but particularly so at this time of disturbance and agitation by "fifth columnists" and other subversive groups.

I cannot help saying a word to my good friend the gentleman from New York [Mr. KEOGH], chairman of the Committee on Revision of the Laws. I listened to him very patiently. In the first place, as my colleague the gentleman from Illinois, chairman of the Committee on Rules [Mr. SABATH], said, the gentleman from New York should have made his motion at the proper time. But, Mr. Chairman, even though he had, the bill could not possibly have been referred to the Committee on the Revision of the Laws, because this proposed revision practically fixes substantive law, and where there is a change of substantive law the Committee on Revision of the Laws could not possibly deal with the problem.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. In a minute.

Let us briefly review the history of this bill. The gentleman from Ohio [Mr. JENKINS] was a member of the Committee on Immigration back in 1931. In those days both Republicans and Democrats on that committee found themselves troubled with complicated immigration and naturalization laws that contained many loopholes. The committee at that time voted unanimously to call upon the President to ask the departments to study this question. Accordingly, in April of 1933, the President issued an Executive order, which I will incorporate in my remarks, directing the State Department, the Attorney General, and other departments to make a complete study of this whole question.

Five years went by, 5 years of study. Study by whom? The Secretary of State, the Attorney General, the Secretary of Labor, and others. Not until June 13, 1938, did the President send a message to Congress on the subject, which I will incorporate in my remarks. This message submitting the report of the special committee requested this legislation and set forth the reasons why the legislation should be speedily enacted.

This committee does not want to take legislation away from any committee. The fact is that when I introduced this bill embodying the report of the committee, I had hoped that the bill would be referred to some other committee. It was apparent to me that a great amount of work would be involved. I felt that this committee had enough work to do involving needed immigration legislation without taking up this codification of the nationality laws contained in H. R. 6127, and I hesitated to call upon the members to assume the responsibility of reporting a bill involving so much study and research, as the report submitted contained some 1,980 pages of references alone, with numerous other documents which were referred to the committee by the several departments.

So far as I personally was concerned, I would have much preferred to have some other committee consider and report the bill. I knew that there had not been a revision of these nationality laws for almost 35 years; that the laws were scattered through more than 40 statutes; that it had been difficult, if not impossible, to decide definitely under the present law just what the law was in certain circumstances. Therefore, knowing the amount of labor this bill involved, you can readily see that I was not anxious to ask the committee to assume the task of recodification in view of the fact that the committee already had pending a large amount of important immigration legislation.

However, as the legislation was referred to the committee I am very proud to be able to say that the members of the committee made no objection or complaint with reference to the additional work and the subcommittee appointed assumed the task and worked faithfully and long, and finally submitted for consideration of the full committee the result of their labors and the full committee approved and unanimously reported the present bill, 9980.

Let me call to the attention of the Committee just a few of the urgent reasons for the recodification of the nationality laws.

For many years native and naturalized citizens who accumulated wealth through the opportunities afforded in the United States, have gone abroad, purchased chateaus and fine homes in these foreign lands, have spent their money, and the only responsibility as citizens of the United States has been to register at certain intervals as citizens of the United States, but in times of stress have demanded the protection as citizens of the United States.

There are others who, through accident of birth and circumstances have been born in the United States of alien parents, yet can claim citizenship and return at any time, regardless of character or political affiliations or beliefs, that are un-American and a danger to the country.

Not only these alien Americans, but others who now are able to claim citizenship, will be definitely expatriated, for example those who become naturalized in foreign countries, those who renounce their citizenship, deserters from military or naval forces who have been convicted by court martial, those who serve in foreign armies, those voting in the political elections of foreign countries, and others. Children of alien parents or naturalized parents whose parents return to their native land and become naturalized or repatriated. In short, this bill would put an end to dual citizenship and relieve this country of the responsibility of those who reside in foreign lands and only claim citizenship when it serves their purpose.

There has been reference to the fact that legislation of this kind should have had the benefit of legal experts. If any committee ever had the benefit of expert advice and the benefits of persons qualified as experts on the subject, the subcommittee has had such assistance. It has had the assistance and suggestions of an expert committee appointed by the President after 5 long years of study, it has had the benefit of the most expert talent of the Department of State, it has had the benefit of the legal experience of the Department of Justice, in the persons of Messrs. Flournoy, Butler, Shaughnessy, and Shoemaker. It has had before the subcommittee able representatives of the American Bar Association, other associations of attorneys, such as Mr. Noel and Mr. Butler, it has had before its subcommittee representatives of civic organizations and finally it has had the endorsement for this bill of the American Bar Association.

As chairman of the committee I gave considerable study to the report submitted by the President's committee, and I want to give credit that is due to the excellent work of the subcommittee each and every member and especially to the acting subchairman, the gentleman from Kansas, Congressman REES, and I desire to acknowledge the careful consideration given the report of the subcommittee by the full committee, and I am especially proud of the fact that from the Committee on Immigration and Naturalization a unanimous report was made by the full committee. There was not an element of partisanship in the consideration and report on this bill, but it was reported unanimously as a necessary and component part of our defense legislation.

I venture to say that few bills presented to this House have received more careful consideration and painstaking preparation, nor have more individuals, associations, or officials presented their views before a committee on proposed legislation.

Speaking for the full committee I ask that the bill as presented receive quick action.

As stated, I submit the following which is the message of the President commending the legislation and also the letter of submittal of the departments:

MESSAGE OF THE PRESIDENT

To the Congress of the United States of America:

I transmit herewith a report concerning the Revision and Codification of the Nationality Laws of the United States, submitted upon my request, by the Secretary of State, the Attorney General, and the Secretary of Labor. The report is accompanied by a draft code with three appendixes containing explanatory matter, prepared by officials of the three interested departments who are engaged in the handling of cases relating to nationality.

The report indicates the desirability from the administrative standpoint of having the existing nationality laws now scattered among a large number of separate statutes embodied in a single, logically arranged and understandable code. Certain changes in substance are likewise recommended.

In the enclosed letter forwarding the report to me the Secretary of State calls attention to a single question on which there is a difference of opinion between the Departments of Justice and Labor on the one hand and the Department of State on the other hand. If the committees of Congress decide to consider this question, the views of the three departments may be presented directly to them.

I commend this matter to the Congress for the attentive consideration which its wide scope and great importance demand.

FRANKLIN D. ROOSEVELT.

Enclosures: (1) Report. (2) Draft and code and annexes. (3) From the Secretary of State.

THE WHITE HOUSE,
June 13, 1938.

LETTER OF SUBMITTAL

JUNE 1, 1933.

The PRESIDENT,
The White House:

By your Executive order of April 25, 1933, you designated the undersigned a committee to review the nationality laws of the United States, to recommend revisions, and to codify the laws into one comprehensive nationality law for submission to the Congress.

In pursuance of this order a committee of advisers, composed of six representatives of the Department of State, six of the Department of Labor, and one of the Department of Justice, was appointed to study the existing laws governing nationality, and to prepare a draft code, embodying such changes and additions as might seem desirable, together with a report explaining the same. Because of the wide field covered by these laws, the complexity of the problems involved and certain obstacles which could not have been foreseen, the report was not completed until August 13, 1935.

In view of the unusual importance of this subject, which is designed to determine the basic status of nationality itself, upon which so many rights and obligations depend, the draft code mentioned above was thoroughly reviewed by officials of the three Departments, some of whom had taken no part in its preparation.

As a result of this review and of conferences between these officials, various changes were made in the original draft.

While the nationality laws of nearly all foreign states have in recent years been completely revised and codified, the laws of the United States on this subject are found scattered among a large number of statutes, and it is sometimes difficult to reconcile the provisions of different statutes. On the other hand, there are no statutory provisions fixing the nationality status of the inhabitants of certain of the outlying possessions of the United States, including American Samoa and Guam.

The nationality problem in the United States is especially complex and difficult for several reasons. In past years large numbers of persons of foreign origin have come to the United States, have had children born to them in this country, and have subsequently returned to reside in the foreign countries from which they came, or have moved on to other foreign countries, taking their American-born children with them. In some cases the parents while in the United States obtained naturalization as citizens thereof, and in such cases children born to them in foreign countries after such naturalization have acquired citizenship of the United States at birth, under the provision of the existing law (R. S. 1993). Children born in the United States to persons of the classes mentioned acquired at birth citizenship of the United States, and in many cases they also acquired at birth the nationality of the foreign states from which their parents came, thus becoming vested with dual nationality. Dual nationality has also attached at birth to children born in certain foreign countries, having in their law of nationality the territorial rule (jus soli), to parents who acquired American nationality at birth or through naturalization.

The Draft Code submitted herewith is divided into five chapters, as follows: Chapter I, Definitions; Chapter II, Nationality at Birth; Chapter III, Nationality Through Naturalization; Chapter IV, Loss of Nationality; and Chapter V, Miscellaneous.

Since the citizenship status of persons born in the United States and the incorporated territories is determined by the fourteenth amendment to the Constitution, the proposed changes in the law governing acquisition of nationality at birth relate to birth in the unincorporated territories and birth in foreign countries to parents one or both of whom have American nationality. Cases of the latter kind are especially difficult of solution, in view of the necessity of avoiding discrimination between the sexes, and of the fact that, under the laws of many foreign countries, the nationality thereof is acquired through birth in their territories.

With regard to chapter III, it may be observed that naturalization constitutes a vital part of the nationality system of the United States, and the naturalization measures proposed by the committee of advisers constitute a considerable portion of the committee's proposals.

United States citizenship is a high privilege and ought not to be conferred lightly or upon a doubtful showing. The experience of the naturalization courts and administrative officers who have had to deal directly with the problems presented has demonstrated, however, the need for an accurate, comprehensive, and detailed code by which naturalization is to be conferred and any abuse of the process remedied. No alien has the slightest right to naturalization unless all statutory requirements are complied with, and every certificate of citizenship must be treated as granted on condition that the Government may challenge it in regular proceedings for that purpose and demand its revocation unless issued in accordance with statutory requirements.

The proposed code, herewith, represents a studied effort to draft a measure which would conform to the constitutional requirement that the rule of naturalization be "uniform," and facilitate the naturalization of worthy candidates, while protecting the United States against adding to its body of citizens persons who would be a potential liability rather than an asset.

The provisions of chapter IV, Loss of nationality, are of special importance. Loss of nationality is in all cases to result from the existence of stated facts. In this relation mention may be made of the provision of section 501, in which diplomatic and consular officers are required to send to the Department of State reports concerning persons found by them to have committed acts resulting in loss of American nationality under the provisions of chapter IV of the proposed act. It is important to note that such reports are intended merely for the information of the Department of State, the Department of Labor, and any other branches of the Government which may be interested.

Chapter V, Miscellaneous, in addition to the provision of section 501, mentioned above, contains a provision (sec. 502) for the issuance of certificates of nationality, for use in foreign states in cases of American nationals other than naturalized citizens.

The most important changes in the existing laws proposed in the annexed code are as follows:

(1) The provision of section 201 (g) requiring that, in order that a person born abroad may acquire citizenship of the United States at birth when only one of his parents is a citizen of the United States, the latter must have resided 10 years in the United States. The requirement of the existing law concerning residence in the United States as a condition to retention of citizenship has been modified for the benefit of children of persons representing the Government, or American commercial, or other interests.

(2) The provisions of chapter III, concerning the facilitating of naturalization under special conditions, and in particular the following:

The provisions of section 311, for the naturalization, without prior residence in the United States, of the alien spouse of a citizen of the United States residing abroad in the employment of this Government or of organizations of certain specified classes.

The provision of section 314, for the naturalization of a person under 18 years of age upon the petition of a citizen parent; and the similar provision of section 315, for the naturalization of an adopted child.

The provision of section 317 for facilitating the entry into the United States and naturalization, without the usual requirements concerning residence in the United States, of a person who was formerly a citizen of the United States but who became expatriated while residing in a foreign country through the naturalization of a parent therein.

(3) The provisions of chapter IV concerning loss of nationality, especially the following:

The provisions of section 402 concerning loss of nationality by a naturalized citizen as a result of the following acts:

(a) Residing for at least 2 years in the territory of a foreign state of which he was formerly a national or in which the place of his birth is situated, if he acquires through such residence the nationality of such foreign state by operation of the law thereof;

(b) Residing continuously for 3 years in the territory of a foreign state of which he was formerly a national or in which the place of his birth is situated, except as provided in section 404 hereof.

Special mention may also be made of the provision in section 337 of the code for the revocation of naturalization in the case of a person who takes up a permanent residence in his native land or some other foreign country within 10 years (instead of 5 years, as provided in the existing law) after the date of his naturalization.

The problem of the child born abroad to parents of different nationalities was the subject of extended consideration by the committee and finally resulted in the draft of section 201 (g) referred to above which confers American citizenship at birth upon a person born abroad if one of his parents is an American citizen. Prior to the Citizenship Act of May 24, 1934, only the children of American fathers acquired citizenship at birth if they were born abroad. This, however, was changed by the 1934 act so that a woman retaining citizenship after marriage to an alien also transmitted citizenship to her children. In enacting this measure Congress apparently took into consideration the fact that persons born in foreign countries whose fathers were nationals of those countries would be likely to have stronger ties with the foreign country than with the United States, and consequently annexed as a condition for retaining citizenship a 5-year period of residence in this country between the ages of 13 and 18. This condition was equally applicable irrespective of whether the citizen parent was a father or a mother.

It has been recognized, however, that these residence requirements will impose great hardship in some cases. This is especially true where the head of the family is a salaried person residing abroad as a representative of the American Government or some American commercial or other organization. The committee has therefore recommended that in cases of this character the conditions relating to residence during minority shall no longer be imposed. If the citizen parent does not represent the American Government or an American educational, scientific, philanthropic, religious, commercial, or financial organization, the foreign-born child, in order to retain American citizenship, is required under section 201 (g) to reside in the United States 5 years between his thirteenth and his twenty-first birthdays. The committee recommends strengthening the 1934 act in another respect, however, by restricting the right of transmitting citizenship in a case of this kind, through the requirement that the citizen parent should have resided at least 10 years in the United States prior to the birth of the child.

Mention is made above of section 317 of the code. While probably the majority of former American nationals who have been naturalized in foreign states through the naturalization of their parents therein continue to reside in such foreign states, some of them return to the United States to reside, and it seems only reasonable to adopt special provisions to enable the latter to recover their American citizenship if they so desire.

None of the various provisions in the code concerning loss of American nationality, such as those applicable to children born abroad to parents only one of whom has American nationality and persons who, after obtaining American nationality through naturalization, establish a residence abroad, is designed to be punitive or to interfere with freedom of action. They are merely intended to deprive persons of American nationality when such persons, by their own acts, or inaction, show that their real attachment is to the foreign country and not to the United States.

Important reasons for terminating American nationality in cases of persons who reside in foreign countries and have to all intents and purposes abandoned the United States lie in the fact that it will prevent them from transmitting American nationality to their foreign-born children having little or no connection with the United States, and embroiling this Government in controversies which they may have with the governments of the foreign countries in which they reside. The mere presumption of expatriation provided for in section 2 of the act of March 2, 1907, in cases of naturalized citizens residing for 2 years in the foreign states from which they came or 5 years in other foreign states, has proven inadequate. In general the right to protection should be coexistent with citizenship, and a law under which persons residing abroad

are denied the protection of this Government, although they remain citizens of the United States and transmit citizenship to children born abroad, is deemed inconsistent and unreasonable. The admission of an alien to the privilege of American citizenship is subject to the condition that he intends to reside permanently in the United States and perform the duties of citizenship. When a naturalized citizen abandons his residence in the United States and takes up residence in the state of which he was formerly a national, definite termination of his American citizenshp should follow.

Further explanations of the various provisions of the code submitted herewith may be found in the comment on the various articles—appendix 1 herewith. In addition to the code and appendix 1, we also submit herewith the following:

Provisions of the code and corresponding provisions of the existing nationality laws, arranged in parallel columns (appendix 2), and constitutional, statutory, and treaty provisions relating to nationality (appendix 3).

Your committee, in the light of the experience of the interested departments in handling cases presented to them for action, is convinced that it is most desirable to have the nationality laws of the United States revised, and embodied in a single code, the meaning of which may be readily understood. We feel that there is no branch of the law of more importance to the country, or requiring more careful attention, than that branch which governs nationality, determining, as it does, what classes of persons shall compose the national society itself.

The proposals contained in the accompanying draft code are to be regarded merely as suggestions for the use of the appropriate committees of Congress. When the matter is to be considered by these committees, the undersigned will be glad to designate members of their respective departments whose duties involve the handling of citizenship cases to confer with the committees, if that is desired.

Respectfully,

CORDELL HULL,
Secretary of State.
HOMER CUMMINGS,
Attorney General.
FRANCES PERKINS,
Secretary of Labor.

Enclosures: Draft Nationality Code and appendixes 1, 2, and 3, as above.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I think, with unusual propriety, I may say to our colleagues on this side of the aisle that in my humble judgment the Congress owes the gentleman from Kansas, ED REES, a great debt of gratitude for the labor which he has earnestly and diligently given a job that is long overdue. One of my first assignments in 1933 was to the Committee on Immigration and Naturalization, where I served in entire felicitous harmony with the chairman, the gentleman from New York [Mr. DICKSTEIN].

That is a very absorbing committee. You deal with hardship, you deal with human nature, you deal with people from all corners of the earth, people who have a full appreciation that this is one spot on the face of the earth where you have certain guaranties of liberty.

It is not strange at all that on the frozen steppes of Russia or in the shadows of Buckingham Palace or along the highway going by Potsdam Palace in Berlin or in all the other corners of the earth there appears a great desire to come to this country. So, manifestly, that puts some execution on the naturalization as well as immigration laws of the country, and in proportion as you try to reconcile those laws to individual cases so they furnish a lot of human drama.

I want to say again to our good friend the gentleman from Kansas [Mr. REES], who has labored on this thing from January to May 1940, and about whom some of the most refreshing and engaging things were said by people like the American Bar Association for the patience, devotion, and tolerance he put in the task, that the Congress does owe him a debt of gratitude.

I remember when I was a member of this committee—and the gentleman from New York [Mr. DICKSTEIN] will bear me out—we undertook to discuss this matter and to urge a codification, compilation, and clarification of these divergent laws, reconciling or ironing out some of the conflicts, and to me it is one of the most amazing things in the jurisprudence of this country. We have a lot of basic laws going away back to 1906. Of course, this whole field of endeavor goes away back to 1789. So that, little by little, there have been accretions, first by this Congress, then by that Congress. Too often a bill would go across the floor and we would not fully appreciate its implications until it got into the statutory law, then had to be interpreted in terms of and in conflict or in reconciliation with existing law that has not been repealed or nullified.

It puts a burden on the ingenuity of the immigration and naturalization administrators of the country. Too often the Congress has not been fair to them in the amount of time and devotion that has been addressed to a problem that is now receiving tremendous emphasis as a result, first, of the fitful and feverish condition that exists in the world today; second, the desire of people to come to these shores; and, third, a general demand in this country that more and more we require some kind of training, some kind of fitness, some kind of assimilation of the American philosophy before the door is open too wide and we extend our hands and say, "Welcome into the fold of American citizenship."

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. DICKSTEIN. This matter was considered on the basis of equality and justice to all, and no politics was played in its consideration.

Mr. DIRKSEN. I am sure of that.

Mr. DICKSTEIN. I believe every member of the committee did his best to bring about this legislation which is so sorely needed, and has been for the last 7 years. The gentleman from Illinois himself was on this committee when we discussed that very question.

Mr. DIRKSEN. Quite right. I recall when we discussed this whole matter with Mr. Wilbur Carr, later Minister to Czechoslovakia, who was then with the State Department and who had done a tremendous amount of work on it. This is, after all, a job for experts. They set up a technical advisory committee.

I think they have labored on this for 5 or 6 years. So the product that is before us today represents the best thought and industry of the Attorney General's office, the State Department, the Labor Department, the American Bar Association, and other agencies that now give the seal of approval to this bill.

[Here the gavel fell.]

Mr. REES of Kansas. Mr. Chairman, I yield 5 additional minutes to the gentleman from Illinois.

Mr. DIRKSEN. I recall that we sought even way back in 1934 to initiate a compilation and codification. We never quite got up to it until our friend from the plains of Kansas came and addressed his energy and his devotion to the job. So I take off my hat to him.

Let me conclude with this one other observation: There is one thing in this bill that engages my particular attention, and I am happy that it is here. It is a provision that is found on page 37 which authorizes the Commissioner to prescribe the scope and nature of the examination of petitioners for naturalization as to their admissibility to citizenship for the purpose of making appropriate recommendations to the naturalization courts. Such examinations shall be limited to inquiry concerning the applicant's residence, good moral character, understanding of and attachment to the fundamental principles of the Constitution of the United States, and other qualifications, and so forth.

As I understand, there is no prescribed course of examination today set down in the law, so it is sort of hit-and-miss. Here is one Federal judge who may be satisfied if a petitioner can tell him who the Governor is of the State where he has his monetary residence. Here is another judge who will ask him whether he can repeat the first 10 lines of the Declaration of Independence. There is no uniformity. It seems to me that the thing that needs emphasis today above everything else, if we are going to take any pride in this thing that we call American democracy, is to be sure that those who knock on the door for entrance as citizens know a little something about it.

How are you going to make a real American citizen out of somebody who came from foreign shores unless he is first familiar with the basic predicate of citizenship, until he knows what democracy really means, until he has some appreciation

of the American way of life? Way back—further back than I care to recall right now—in the days when I was a dredging contractor up on the Illinois River, I had lots of people march across my pay rolls year in and year out. Some of them had to go through the naturalization court. On occasion I used to go with them. I have had some of these old timers go through who have been here a long time.

To me, it was the most amazing experience that I ever underwent to stand there as a witness and as a coach trying to get these people into citizenship, knowing at the same time their limitations as well as the limitations of the examination to which they were to be subjected.

I shall never forget one who was entered into citizenship because he could recite the name of the Governor of Illinois. He had some difficulty doing it at the time, but he did it, and it was about as much as he knew. I labored with that man on a quarter boat on the Illinois River for months, trying to pound into him what this country meant, how it differed from a foreign country, and what was embraced in the philosophy of democracy and Americanism.

Too often, you know, it sort of recedes. I recognize the difficulties on both sides. A man has come here and been over here 30 or 40 years. He becomes 60 years of age. It is a pretty hard matter to sit down by the light of a kerosene lamp out in the sticks somewhere and take him over and over it, just as you would a child in the first grade, and seek to bring him up on the pabulum of Americanization. Yet if we are going to hold our own, if we are going to keep this lamp alight, if we are going to set an example for all the rest of the world, then it becomes imperative as we go along that to those who knock on the door and say, "Uncle Sam, I would like to be a citizen of your country," we have the right to say, "You qualify," and show him the basis on which he must qualify.

Heretofore, it has been hit-and-miss. This bill contains a provision whereby they can prescribe certain qualifications and a certain, shall I say, course that has continuity and that leads up to an ultimate result, and that is an appreciation of democracy and a capacity for assimilation.

So once more I take off my hat to my esteemed friend from Kansas for the grand job he has done. It was a laborious task, and the Congress owes him a debt of gratitude. [Applause.]

Mr. REES of Kansas. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I should like the gentleman from Illinois, as well as the other members who have spoken, to know that I appreciate the fine compliments that have been extended to me, to which I feel I am not really entitled. I do want to share these compliments with the representatives of the Department of State, the Department of Justice, and the War Department, together with the representatives of the American Bar Association, who diligently and unceasingly worked in an effort to bring about the legislation that is proposed this afternoon.

I only wish that a larger percentage of the members were a little more interested in this legislation. I believe we ought to be interested in this measure, because it is, I believe, one of the most important pieces of legislation that has come before this House during the present session.

The purpose of H. R. 9980 is to revise and codify the nationality laws of the United States, as has been suggested, in a comprehensive nationality code. We have tried here to put into systematic order a consolidation and a restatement of the laws of citizenship, naturalization, and expatriation. A further purpose, so you will not be mistaken, is to amend the law with a view to making it more workable and to strengthen it where experience has found it to be weak or vague in its terms, and a further purpose is to repeal obsolete and conflicting, as well as undesirable, provisions of the present law.

The code is arranged in five chapters: Chapter I, Definitions; Chapter II, Nationality at Birth; Chapter III, Nationality Through Naturalization; Chapter IV, Expatriation; and Chapter V, Miscellaneous.

As I have told you before, this code is the result of years of study, as the gentleman from Ohio [Mr. JENKINS] stated, on the part of career men, in the Immigration and Naturalization Service, the State Department and the Department of Justice, together with representatives of the War Department. Subcommittee hearings were held on this bill and technical advice was received from representatives of these departments, and their representatives cooperated with the subcommittee 100 percent. The American Bar Association, through a special committee, gave this code its careful study, and the code has its approval today, and so far as I know, no particular organized group appeared against it, at least before our committee. And right now the State Department, the Department of Justice, and the War Department not only are supporting the bill, but are extremely anxious that it be passed. This is the reason the bill is on the floor this afternoon. I think that it is well to state also that this measure comes within the category of emergency legislation, and it is certainly in the best interests of national defense.

The bill provides for a tightening up as well as a definite enforcement of our nationality laws, and if there is any place in this measure where there is any more laxity provided than at the present time, either directly or indirectly, I do not know about it. Personally, I think the bill should be passed as it is presented to you with the exception of a few amendments that are going to be offered by the committee. One amendment especially is a corrective one, because when this bill came out of the committee the Immigration and Naturalization Service was under the Department of Labor, while it is now under the Department of Justice.

I would like to point out briefly, if I may, some of the defects existing in the nationality laws and call attention to some of the changes made in the proposed code; and, before going on, I would like to call attention to this fact: That most of the procedure followed by the Immigration and Naturalization Service is based upon rules and regulations which they have promulgated from time to time, sustained by opinions of the Attorneys General through the years. This situation prevails because there was no definite, basic law governing the particular question involved. We even have two or three important court decisions that are based largely upon the opinions of Attorneys General, opinions that were handed down years ago. The famous Elge case had to do with the question of whether or not a child who was born in this country, taken to the old country in her infancy, and who then returned and claimed citizenship was a citizen of this country. The Supreme Court decision quotes in particular the opinion of the Attorney General on the question rather than any particular interpretation of a basic law.

One of the principal defects now found in the statutes beginning with the act of 1802, is drafting, which in many cases is vague, uncertain, and not clear, and notwithstanding the various court decisions in which it has been sought to clarify the laws, the meaning is still unsettled. For example, right now it is impossible to say with any degree of certainty what the law actually is on the subject of naturalization of minors through the naturalization of their parents. We do not have anything definite on that question. Surely, the law ought to be stated in such manner that individuals directly interested would be able to ascertain whether or not they are citizens of the United States. It is equally important from the standpoint of the safety and the general welfare of the country that the several departments of the Government should be able to determine without any great difficulty whether certain individuals are or are not citizens of the United States.

The situation ought to be more clean-cut than it is now, because of the duty of the Government to protect citizens abroad, and because of the fact that one who is a citizen of the United States has the right to reenter this country regardless of his character, regardless of his political views, and regardless of any criminal record he may have. If he has once become a citizen of the United States and has not lost that citizenship, it does not make any difference what kind of

a record he has, he still has the right to come back into the United States.

Not only do the nationality laws need clarifying and orderly arrangement in a single code, but substantive changes are necessary in connection with certain rights, with a view to preventing persons who have no real attachment to the United States from enjoying the high privilege of American nationality.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from New York.

Mr. HANCOCK. Is the codified law brought down to date? Does it include the provision of the Smith Act, which called for the fingerprinting of aliens?

Mr. REES of Kansas. It does not. The Smith Act was passed since that time.

Mr. HANCOCK. Since this bill was introduced?

Mr. REES of Kansas. Yes; that is correct.

Mr. HANCOCK. So this does not include all the statutes dealing with aliens?

Mr. REES of Kansas. I believe two statutes are not included, which were enacted after this bill was recommended for passage by the committee.

Mr. HANCOCK. Could not the bill be amended to include those additional provisions?

Mr. REES of Kansas. Yes; I believe it could.

Mr. HANCOCK. And would that not be wise?

Mr. REES of Kansas. Yes; I am sure it would be the wise thing to do.

[Here the gavel fell.]

Mr. REES of Kansas. Mr. Chairman, I yield myself 5 additional minutes.

Mr. MICHENER. Will the gentleman yield?

Mr. REES of Kansas. Yes; I am always glad to yield to my distinguished colleague the gentleman from Michigan.

Mr. MICHENER. I have glanced over the report in this matter. There are not a great many Members paying close attention to the debate. The reason for that is because they know the members of the committee have given a lot of attention to this very technical matter. I say to the gentleman from Kansas that he could have no greater compliment paid to him in connection with this matter than the fact that this bill is going to be passed unanimously, or almost unanimously, possibly without a roll call, relying entirely upon the standing of the gentleman, together with the other Members serving with him on his committee.

Mr. REES of Kansas. I appreciate the compliment extended to me.

Mr. MASON. And you feel the additional responsibility upon you?

Mr. REES of Kansas. Yes; I do, and I thank the gentleman from Illinois for his observation.

Now, one of the most important features of this legislation relates to the acquisition of citizenship in cases of persons born abroad to parents of whom one is a citizen of the United States and the other parent is an alien. The existing law is so lax that it confers citizenship at birth upon persons who are not at all likely to be American in character or become imbued with American principles.

Reference is made to section 1 of the act of May 1934, amending section 1993 of the Revised Statutes, that provides for the acquisition of citizenship in case of a child born abroad to an American mother married to an alien, as well as one born abroad to an American father married to an alien. While this statute requires specifically that the parent should have resided in the United States prior to the birth of the child, it does not require that he or she should have resided in this country for any specified length of time.

It may be that I will not have time to discuss this bill as fully as I should, and I want to call attention to one thing which I do not think you realize that is extremely important. That is this: Do you know that a man and his wife who are Italians may come to this country and become naturalized, then return to Italy and have children born to them abroad while they are still citizens of this country, or go to Germany or some other country, and yet those children who have never been in this country are citizens of the United States, because both of their parents were American citizens when the children were born. These children continue to be citizens of the United States unless they voluntarily perform some act of expatriation.

There are thousands of them abroad now who have dual citizenship. That is, they have citizenship of some foreign country and at the same time claim citizenship in the United States. We do not know how many there are. Nobody can tell. The State Department does not know. The Immigration and Naturalization Service does not know. But nevertheless that situation exists. This measure attempts to terminate such claims of citizenship. This is something that has never heretofore been attempted. So if no other reason existed, then the correction of this laxity in our naturalization laws would be sufficient reason for the passage of this legislation. This measure provides that after a 2-year period from the passage of this act, those individuals just described who may be citizens of the United States are forever barred from claiming such citizenship, unless they come to this country and establish permanent residence. However, section 201 (g) of the code requires that the citizen parent, in order to transmit citizenship to a child born abroad, should have had—

> Ten years' residence in the United States or one of its outlying possessions, at least 5 of which were after attaining the age of 16 years.

Very important changes are found in chapter IV—Loss of nationality. Section 401 thereof not only clarifies the law concerning the loss of nationality as a result of naturalization during minority in a foreign state through the naturalization of a parent therein but specifies certain acts causing loss of American nationality, including entry into a foreign army, acceptance of an office under a foreign government, and voting in a political election in a foreign state.

Section 402 was adopted upon the special recommendation of the War Department with a view to checking the activities of persons regarded as prospective "fifth columnists." This section provides for a presumption of loss of American nationally in the case of a person born in the United States—

> When he shall remain for 6 months or longer within any foreign state of which he or either of his parents shall have been a national according to the laws of such foreign state, or within any place under control of such foreign state.

Sections 404–406 contain very important provisions under which persons who have been naturalized in this country will lose their American nationality as a result of protracted residence in foreign countries. In the case of one residing in his native land, nationality is lost after a residence of 2 years, if as a result of such residence he acquires the nationality of the foreign state in which he resides. If he does not acquire such nationality, American nationality is lost as a result of 3 years' residence in the native land. Residence of 5 years in any other foreign state has the same result. Certain exceptions are provided in sections 405 and 406. The principal exceptions relate to persons residing abroad to represent the Government of the United States, or American interests of certain specified classes.

The provisions just mentioned are deemed to be distinctly preferable to the provisions in section 2 of the act of March 2, 1907, under which a mere presumption of loss of citizenship arises, in the case of a naturalized citizen who has resided for 2 years in any other foreign state. The courts have held that this presumption means merely a loss of the right to the protection of this Government, and not a loss of American nationality itself. Therefore, under the existing law, a naturalized citizen, notwithstanding the fact that he has been granted naturalization upon the understanding that he intended to reside permanently in the United States, may reside for any number of years in a foreign state, even though it be his native land, without losing his American nationality. Such a person is not likely to have any real attachment to the principles of the Constitution of the United States. However, he has a right, whenever he pleases,

to return to the United States as a citizen thereof. Furthermore, he may marry a citizen of the foreign country in which he resides and transmit citizenship to children born therein.

As already indicated, officials of this Government, regardless of party connections, have for many years been convinced that there is great need of revising the nationality laws of the United States in such a way that the acquisition and retention of American nationality would be based upon realities. They deemed such changes necessary to further the welfare and protect the interests of this country. Conditions which have arisen in various countries since the inauguration of the project to revise and codify these laws—have made it even more important than it was before.

Mr. SIMPSON. Will the gentleman yield?

Mr. REES of Kansas. Yes; I yield to my good friend from Pennsylvania.

Mr. SIMPSON. Would the gentleman care to explain how a revocation of naturalization which has once been issued may be brought about? I refer particularly to an instance of where there is fraud evidenced at the time the application for citizenship is made.

Mr. REES of Kansas. That is to say, if an individual has received a certificate of naturalization by fraud, then the gentlemen's question is, How do you go about it to revoke it later on?

Mr. SIMPSON. Yes.

Mr. REES of Kansas. Does the gentleman have that section before him?

Mr. SIMPSON. Yes. It is 338.

[Here the gavel fell.]

Mr. REES of Kansas. Mr. Chairman, I yield myself 2 additional minutes.

There are a number of grounds upon which the certificate may be revoked. For example, it may be discovered that the person granted naturalization had committed a felony before his certificate was granted, or it might be learned that he entered this country illegally, or made false representations at the time he filed his petition.

Mr. NORRELL. Will the gentleman yield?

Mr. REES of Kansas. Yes; I shall be glad to yield.

Mr. NORRELL. Is there anything in the bill providing for revocation of citizenship where a naturalized citizen becomes an undesirable person, such as becoming a believer in the philosophy of communism, or something like that? If he becomes a strong advocate of these foreign "isms," is there anything in the bill whereby we might revoke his citizenship?

Mr. REES of Kansas. The old law denies citizenship to anarchists, believers in polygamy, and some other classes. Under this bill, we believe we have covered the question of fascism, nazi-ism, communism, or any other "ism," although they are not specifically mentioned by name. Provision is made for careful investigation into the applicant's attitude in these matters, both at the time he files his declaration and when he takes out his final papers.

Mr. NORRELL. In other words, if he is that kind of person to begin with, he cannot become naturalized?

Mr. REES of Kansas. The gentleman is right.

Mr. NORRELL. And if he gets that way afterward, I assume the bill contains provisions whereby the naturalization may be revoked.

Mr. REES of Kansas. It is my opinion that it would be.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

[Here the gavel fell.]

Mr. REES of Kansas. Mr. Chairman, I yield myself 2 additional minutes.

Right here I should like to call attention of Members of the House to section 305, beginning on page 10 and running over to page 13:

No person shall hereafter be naturalized as a citizen of the United States—

(a) Who advises, advocates, or teaches, or who is a member of or affiliated with any organization, association, society, or group that advises, advocates, or teaches opposition to all organized government; or

(b) Who believes in, advises, advocates, or teaches, or who is a member of or affiliated with any organization, association, society, or group that believes in, advises, advocates, or teaches—

1. The overthrow by force or violence of the Government of the United States or of all forms of law; or

2. The duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States, or any other organized government, because of his or their official character; or

3. The unlawful damage, injury, or destruction of property; or

4. Sabotage; or

(c) Who writes, publishes, or causes to be written or published, or who knowingly circulates, distributes, prints, or displays, or knowingly causes to be circulated, distributed, printed, published, or displayed or who knowingly has in his possession for the purpose of circulation, distribution, publication, or display any written or printed matter advising, advocating, or teaching opposition to all organized government, or advising, advocating, or teaching:

1. The overthrow by force or violence of the Government of the United States or of all forms of law; or

2. The duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or of any other organized government; or

3. The unlawful damage, injury, or destruction of property; or

4. Sabotage; or

(d) Who is a member of or affiliated with any organization, association, society, or group that writes, circulates, distributes, prints, publishes, or displays, or causes to be written, circulated, distributed, printed, published, or displayed, or that has in its possession for the purpose of circulation, distribution, publication, issue, or display, any written or printed matter of the character described in subdivision (c).

For the purpose of this section:

1. The giving, loaning, or promising of money or anything of value to be used for the advising, advocacy, or teaching of any doctrine above enumerated shall constitute the advising, advocacy, or teaching of such doctrine; and

2. The giving, loaning, or promising of money or anything of value to any organization, association, society, or group of the character above described shall constitute affiliation therewith, but nothing in this paragraph shall be taken as an exclusive definition of advising, advocacy, teaching, or affiliation.

The provisions of this section shall be applicable to any applicant for naturalization who at any time within a period of 10 years immediately preceding the filing of the petition for naturalization is, or has been, found to be within any of the classes enumerated in this section, notwithstanding that at the time petition is filed he may not be included in such classes.

Mr. JENKINS of Ohio. Is it not true that in the kind of case described by the gentleman from Arkansas citizenship is revoked as a part of the sentence of expulsion? When the man is found deportable and is deported, generally his citizenship is revoked. While I am on my feet will the gentleman yield for a question?

Mr. REES of Kansas. Yes; I yield to the distinguished Member from Ohio, a former member of the Committee on Immigration and Naturalization, who has given these questions careful study.

Mr. JENKINS of Ohio. As I understand it, when you start out to codify the laws you do not start out primarily to change any law.

Mr. REES of Kansas. That is right.

Mr. JENKINS of Ohio. And as you proceed the burden will be not to change any law, but assume you meet up with a situation not covered by any law, that you have come to the place where the law does not speak but is silent, will the gentleman tell us what he has done in such a situation? Has he inserted a law to meet the situation?

Mr. REES of Kansas. We certainly have. We have tried to met every contingency and have made a special effort to make this measure definite and workable.

Mr. JENKINS of Ohio. Have inconsistencies been taken care of?

Mr. REES of Kansas. Yes, the existing inconsistencies have been eliminated. We have tried to make this code as fair and complete as possible. Our subcommittee with the help and advice of these officials from the Department of State, the Department of Justice, and the War Department who have had years and years of experience in dealing with these problems feel we have produced a very complete and clean-cut measure.

Mr. JENKINS of Ohio. One more question, if the gentleman will permit. I believe the gentleman is familiar with the

American coalition, which is the outstanding restrictive immigration organization. Am I correct in understanding that the gentleman is ready to offer certain amendments to take care of suggestions they made.

Mr. REES of Kansas. We believe we have already met practically all of the important criticisms. We are going to offer amendments that we believe will take care of the most important questions raised. I regret that Mr. Trevor, who sent out that letter, did not appear personally before the committee. I am not criticizing him for not appearing, but if he were interested—and I know he was—I regret that he did not come before the committee to present his views while we were considering this legislation. We would have been glad to have his suggestions.

[Here the gavel fell.]

The CHAIRMAN. All time allowed the gentleman under the rule has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. REES].

Mr. SPARKMAN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. SPARKMAN. I notice in the bill a distinction is made between nationals and citizens. Can the gentleman give us an example of the kind of person who would be a national but not a citizen?

Mr. REES of Kansas. Yes. The gentleman has asked an important question. It is one of the questions that was raised by Mr. Trevor: Can an individual be a national but not a citizen. All citizens, of course, are nationals, but in some of our outlying possessions we have those who owe allegiance to the United States but who are not citizens of the United States; for instance, a native of Guam is one of our nationals but not a citizen. Have I answered the gentleman's question?

Mr. SPARKMAN. The gentleman has.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. MONRONEY. The gentleman has made a very interesting statement on the bill. He made a statement a moment ago about American citizens who reside in foreign countries for 2 years losing their citizenship in this country. Has ample care been taken, however, to protect Americans who are detained for as long as 5 years because of business requirements?

Mr. REES of Kansas. Yes; that situation has been properly safeguarded in the bill.

If aliens who are naturalized return to the country of their origin and stay 2 years and do anything that would identify them as a citizen of that country, for instance, voting or taking part in an election, it would cause them to lose their citizenship. If they go back to their home countries and stay for 3 years they lose their citizenship under those circumstances. If they go to any other foreign country and stay for 5 years they lose their citizenship except only for the provisions set forth in this bill.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield for a question?

Mr. REES of Kansas. I am glad to yield to my distinguished chairman.

Mr. DICKSTEIN. And American citizens who go abroad and participate in elections, vote in elections, or participate in wars for dictators are also in the same class.

Mr. REES of Kansas. That is right. I probably should emphasize the fact that the bill contains a provision whereby if a naturalized citizen of this country goes abroad and stays for a period of more than 6 months the burden rests upon him to show that he has not served in a foreign army. This is a new provision of law and is regarded as being especially important in view of the world situation today.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. Yes; I am glad to yield.

Mr. JENKINS of Ohio. I presume, of course, that such an individual could go before the proper official in the State Department and indicate before he goes what he expects to do and in that way expedite his return.

Mr. REES of Kansas. Yes; that is right.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. KELLER. What evidence must such an individual submit on his return, anything but his own testimony?

Mr. REES of Kansas. The consul abroad may accept the individual's own testimony or may require additional evidence to establish that this section of the act has not been violated.

Mr. KELLER. I rather gather there is no fundamental change in the law that would not be agreed to readily.

Mr. REES of Kansas. That is correct.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Chairman, when I first came to Congress it was my pleasure to serve as a member of the Committee on Immigration and Naturalization. I enjoyed the work very much. I found it to be one of the earnest, hard-working committees of this House and many times I heard the chairman of that committee, the gentleman from New York [Mr. DICKSTEIN] bring out the fact that codification and revision of the statutes pertaining to immigration and naturalization, and to the control of those features pertaining to citizenship was badly needed.

I want to congratulate him on the appointment of this subcommittee, and especially do I want to congratulate the gentleman from Kansas [Mr. REES] for bringing out this bill and report as well as for the work he has done on it. May I add my word of tribute to that of others to Mr. Shaughnessy, of the Immigration and Naturalization Service. He has always been one of the most faithful, capable, and dependable workers aiding the Committee on Immigration and Naturalization. The same thing may be said of Mr. Shoemaker and others who I know have worked faithfully in the preparation of this measure.

I do not know of any argument in favor of this measure better than the message of the President when he transmitted to the Congress of the United States a recommendation pertaining to such needs. I want to read a part of that message date June 13, 1938:

To the Congress of the United States of America:

I transmit herewith a report concerning the Revision and Codification of the Nationality Laws of the United States, submitted upon my request, by the Secretary of State, the Attorney General, and the Secretary of Labor. The report is accompanied by a draft code with three appendices containing explanatory matter, prepared by officials of the three interested departments who are engaged in the handling of cases relating to nationality.

The report indicates the desirability from the administrative standpoint of having the existing nationality laws now scattered among a large number of separate statutes embodied in a single, logically arranged, and understandable code. Certain changes in substance are likewise recommended.

In the enclosed letter forwarding the report to me the Secretary of State calls attention to a single question on which there is a difference of opinion between the Departments of Justice and Labor on the one hand and the Department of State on the other hand. If the committees of Congress decide to consider the question, the views of the three departments may be presented directly to them.

I commend this matter to the Congress for the attentive consideration which its wide scope and great importance demand.

Attached to that message was letter of submittal signed by the Honorable Cordell Hull, Secretary of State; Mr. Homer Cummings, Attorney General; and Mme. Perkins, Secretary of Labor.

This committee has labored long and faithfully on this matter and it has brought out what I believe to be a very able work and a very clear report. I think it would be helpful to every Member if he would get a copy of the report, keep it and study the proposed code as contrasted with the existing laws. I am pleased with the reaction that this work has received, and I am happy to see the virtual unanimous approval of this measure.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I have no further requests for time.

The Clerk read as follows:

Be it enacted, etc., That the nationality laws of the United States are revised and codified as follows:

TITLE I

SECTION 1. This act may be cited as the Nationality Act of 1940.

CHAPTER I—DEFINITIONS

SEC. 101. For the purposes of this act—

(a) The term "national" means a person owing permanent allegiance to a State.

(b) The term "national of the United States" means (1) a citizen of the United States, or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States.

(c) The term "naturalization" means the conferring of nationality of a State upon a person after birth.

(d) The term "United States" when used in a geographical sense means the continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands of the United States.

(e) The term "outlying possessions" means all territory, other than as specified in subsection (d), over which the United States exercises rights of sovereignty, except the Canal Zone.

(f) The term "parent" includes in the case of a posthumous child a deceased parent.

(g) The term "minor" means a person under 21 years of age.

SEC. 102. For the purposes of chapter III of this act—

(a) The term "State" includes (except as used in subsection (a) of section 301), Alaska, Hawaii, the District of Columbia, Puerto Rico, and the Virgin Islands of the United States.

(b) The term "naturalization court," unless otherwise particularly described, means a court authorized by subsection (a) of section 301 to exercise naturalization jurisdiction.

(c) The term "clerk of court" means a clerk of a naturalization court.

(d) The terms "Commissioner" and "Deputy Commissioner" mean the Commissioner of Immigration and Naturalization and a Deputy Commissioner of Immigration and Naturalization, respectively.

(e) The term "Secretary" means the Secretary of Labor.

(f) The term "Service" means the Immigration and Naturalization Service of the United States Department of Labor.

(g) The term "designated examiner" means an examiner or other officer of the Service designated under section 333 by the Commissioner.

(h) The term "child" includes a child legitimated under the law of the child's residence or domicile, whether in the United States or elsewhere; also a child adopted in the United States, provided such legitimation or adoption takes place before the child reaches the age of 16 years and the child is in the legal custody of the legitimating or adopting parent or parents.

SEC. 103. For the purposes of subsections (a), (b), and (c) of section 404 of this act, the term "foreign state" includes outlying possessions of a foreign state, but does not include self-governing dominions or territory under mandate, which, for the purposes of these subsections, shall be regarded as separate states.

SEC. 104. For the purposes of sections 201, 307 (b), 403, 404, 405, 406, and 407 of this act, the place of general abode shall be deemed the place of residence.

CHAPTER II—NATIONALITY AT BIRTH

SEC. 201. The following shall be nationals and citizens of the United States at birth:

(a) A person born in the United States and subject to the jurisdiction thereof;

(b) A person born in the United States to a member of an Indian, Eskimo, Aleutian, or other aboriginal tribe: *Provided*, That the granting of citizenship under this subsection shall not in any manner impair or otherwise affect the right of such person to tribal or other property;

(c) A person born outside of the United States and its outlying possessions of parents both of whom are citizens of the United States and one of whom has resided in the United States or one of its outlying possessions prior to the birth of such person;

(d) A person born outside of the United States and its outlying possessions of parents one of whom is a citizen of the United States who resided in the United States or one of its outlying possessions prior to the birth of such person, and the other of whom is a national but not a citizen of the United States;

(e) A person born in an outlying possession of the United States of parents one of whom is a citizen of the United States who resided in the United States or one of its outlying possessions prior to the birth of such person;

(f) A child of unknown parentage found in the United States, until shown not to have been born in the United States;

(g) A person born outside the United States and its outlying possessions of parents one of whom is a citizen of the United States who, prior to the birth of such person, has had 10 years' residence in the United States or one of its outlying possessions, at least 5 of which were after attaining the age of 16 years, the other being an alien: *Provided*, That, in order to retain such citizenship, the child must reside in the United States or its outlying possessions for a period or periods totaling 5 years between the ages of 13 and 21 years: *Provided further*, That, if the child has not taken up a residence in the United States or its outlying possessions by the time he reaches the age of 16 years, or if he resides abroad for such a time that it becomes impossible for him to complete the 5 years' residence in the United States or its outlying possessions before reaching the age of 21 years, his American citizenship shall thereupon cease.

The preceding provisos shall not apply to a child born abroad whose American parent is at the time of the child's birth residing abroad solely or principally in the employment of the Government of the United States or a bona fide American educational, scientific, philanthropic, religious, commercial, or financial organization, having its principal office or place of business in the United States, or an international agency of an official character in which the United States participates, for which he receives a substantial compensation;

(h) The foregoing provisions of subsection (g) concerning retention of citizenship shall apply to a child born abroad subsequent to May 24, 1934.

SEC. 202. All persons born in Puerto Rico on or after April 11, 1899, subject to the jurisdiction of the United States, residing on the effective date of this act in Puerto Rico or other territory over which the United States exercises rights of sovereignty and not citizens of the United States under any other act, are hereby declared to be citizens of the United States.

SEC. 203. (a) Any person born in the Canal Zone on or after February 26, 1904, and whether before or after the effective date of this act, whose father or mother or both at the time of the birth of such person was or is a citizen of the United States, is declared to be a citizen of the United States.

(b) Any person born in the Republic of Panama on or after February 26, 1904, and whether before or after the effective date of this act, whose father or mother or both at the time of the birth of such person was or is a citizen of the United States employed by the Government of the United States or by the Panama Railroad Co., is declared to be a citizen of the United States.

SEC. 204. Unless otherwise provided in section 201, the following shall be nationals, but not citizens, of the United States at birth:

(a) A person born in an outlying possession of the United States of parents one of whom is a national, but not a citizen, of the United States;

(b) A person born outside the United States and its outlying possessions of parents both of whom are nationals, but not citizens, of the United States, and have resided in the United States or one of its outlying possessions prior to the birth of such person;

(c) A child of unknown parentage found in an outlying possession of the United States, until shown not to have been born in such outlying possession.

SEC. 205. The provisions of section 201, subsections (c), (d), (e), and (g), and section 204, subsections (a) and (b), hereof apply, as of the date of birth, to a child born out of wedlock, provided the paternity is established during minority, by legitimation, or adjudication of a competent court.

In the absence of such legitimation or adjudication, the child, if the mother had the nationality of the United States at the time of the child's birth, and had previously resided in the United States or one of its outlying possessions, shall be held to have acquired at birth her nationality status.

CHAPTER III—NATIONALITY THROUGH NATURALIZATION

GENERAL PROVISIONS

Jurisdiction to naturalize

SEC. 301. (a) Exclusive jurisdiction to naturalize persons as citizens of the United States is hereby conferred upon the following specified courts: District courts of the United States now existing, or which may hereafter be established by Congress in any State, District Courts of the United States for the Territories of Hawaii and Alaska, and for the District of Columbia and for Puerto Rico, and the District Court of the Virgin Islands of the United States; also all courts of record in any State or Territory now existing, or which may hereafter be created, having a seal, a clerk, and jurisdiction in actions at law or equity, or law and equity, in which the amount in controversy is unlimited. The jurisdiction of all the courts herein specified to naturalize persons shall extend only to such persons resident within the respective jurisdictions of such courts, except as otherwise specifically provided in this act.

(b) A person who petitions for naturalization in any State court having naturalization jurisdiction, may petition within the State judicial district or State judicial circuit in which he resides, whether or not he resides within the county in which the petition for naturalization is filed.

(c) The courts herein specified, upon request of the clerks of such courts, shall be furnished from time to time by the Commissioner or a deputy commissioner with such blank forms as may be required in naturalization proceedings.

(d) A person may be naturalized as a citizen of the United States in the manner and under the conditions prescribed in this act, and not otherwise.

SUBSTANTIVE PROVISIONS

Eligibility for naturalization

SEC. 302. The right of a person to become a naturalized citizen of the United States shall not be denied or abridged because of sex or because such person is married.

SEC. 303. The right to become a naturalized citizen under the provisions of this Act shall extend only to white persons, persons

of African nativity or descent, and descendants of races indigenous to the Western Hemisphere: *Provided*, That nothing in this section shall prevent the naturalization of native-born Filipinos having the honorable service in the United States Army, Navy, Marine Corps, or Coast Guard as specified in section 324, nor of former citizens of the United States who are otherwise eligible to naturalization under the provisions of section 317.

SEC. 304. No person except as otherwise provided in this act shall hereafter be naturalized as a citizen of the United States upon his own petition who cannot speak the English language. This requirement shall not apply to any person physically unable to comply therewith, if otherwise qualified to be naturalized.

SEC. 305. No person shall hereafter be naturalized as a citizen of the United States—

(a) Who advises, advocates, or teaches, or who is a member of or affiliated with any organization, association, society, or group that advises, advocates, or teaches opposition to all organized government; or

(b) Who believes in, advises, advocates, or teaches, or who is a member of or affiliated with any organization, association, society, or group that believes in, advises, advocates, or teaches—

(1) the overthrow by force or violence of the Government of the United States or of all forms of law; or

(2) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or any other organized government, because of his or their official character; or

(3) the unlawful damage, injury, or destruction of property; or

(4) sabotage.

(c) Who writes, publishes, or causes to be written or published, or who knowingly circulates, distributes, prints, or displays, or knowingly causes to be circulated, distributed, printed, published, or displayed, or who knowingly has in his possession for the purpose of circulation, distribution, publication, or display any written or printed matter advising, advocating, or teaching opposition to all organized government, or advising, advocating, or teaching—

(1) the overthrow by force or violence of the Government of the United States or of all forms of law; or

(2) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or of any other organized government; or

(3) the unlawful damage, injury, or destruction of property; or

(4) sabotage.

(d) Who is a member of or affiliated with any organization, association, society, or group that writes, circulates, distributes, prints, publishes, or displays, or causes to be written, circulated, distributed, printed, published, or displayed, or that has in its possession for the purpose of circulation, distribution, publication, issue, or display, any written or printed matter of the character described in subdivision (c).

For the purpose of this section—

(1) the giving, loaning, or promising of money or anything of value to be used for the advising, advocacy, or teaching of any doctrine above enumerated shall constitute the advising, advocacy, or teaching of such doctrine; and

(2) the giving, loaning, or promising of money or anything of value to any organization, association, society, or group of the character above described shall constitute affiliation therewith; but nothing in this paragraph shall be taken as an exclusive definition of advising, advocacy, teaching, or affiliation.

The provisions of this section shall be applicable to any applicant for naturalization who at any time within a period of 10 years immediately preceding the filing of the petition for naturalization is, or has been found to be within any of the clauses enumerated in this section, notwithstanding that at the time petition is filed he may not be included in such classes.

SEC. 306. A person who, at any time during which the United States has been or shall be at war, deserted or shall desert the military or naval forces of the United States, or who, having duly enrolled, departed, or shall depart from the jurisdiction of the district in which enrolled, or went or shall go beyond the limits of the United States, with intent to avoid any draft into the military or naval service, lawfully ordered, shall, upon conviction thereof by a court martial, be ineligible to become a citizen of the United States; and such deserters shall be forever incapable of holding any office of trust or of profit under the United States, or of exercising any rights of citizens thereof.

SEC. 307. (a) No person, except as hereinafter provided in this act, shall be naturalized unless such petitioner, (1) immediately preceding the date of filing petition for naturalization has resided continuously within the United States for at least 5 years and within the State in which the petitioner resided at the time of filing the petition for at least 6 months, (2) has resided continuously within the United States from the date of the petition up to the time of admission to citizenship, and (3) during all the periods referred to in this subsection has been and still is a person of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States.

(b) Absence from the United States for a continuous period of more than 6 months but less than 1 year during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization, or during the period between the date of filing the petition and the date of final hearing, shall be presumed to break the continuity of such residence, but such presumption may be overcome by the presentation of evidence satisfactory to the naturalization court that such individual had a reasonable cause for not sooner returning to the United States. Absence from the United States for a continuous period of 1 year or more during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization or during the period between the date of filing the petition and the date of final hearing, shall break the continuity of such residence, except that in the case of an alien who has resided in the United States for at least 1 year, during which period he has made a declaration of intention to become a citizen of the United States, and who thereafter is employed by or under contract with the Government of the United States or an American institution of research recognized as such by the Secretary of Labor, or is employed by an American firm or corporation engaged in whole or in part in the development of foreign trade and commerce of the United States or a subsidiary thereof, no period of absence from the United States shall break the continuity of residence if—

(1) Prior to the beginning of such period (whether such period begins before or after his departure from the United States) the alien has established to the satisfaction of the Secretary of Labor that his absence from the United States for such period is to be on behalf of such Government, or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged in the development of such foreign trade and commerce or whose residence abroad is necessary to the protection of the property rights in such countries of such firm or corporation; and

(2) Such alien proves to the satisfaction of the court that his absence from the United States for such period has been for such purpose.

(c) No period of absence from the United States during the 5 years immediately preceding June 25, 1936, shall be held to have broken the continuity of residence required by the naturalization laws if the alien proves to the satisfaction of the Secretary of Labor and the court that during all such period of absence he has been under employment by, or contract with, the United States, or such American institution of research, or American firm or corporation, described in subsection (b) of this section, and has been carrying on the activities described in that subsection in its behalf.

(d) The following shall be regarded as residence within the United States within the meaning of this chapter:

(1) Honorable service on vessels owned directly by the Government of the United States, whether or not rendered at any time prior to the applicant's lawful entry into the United States: *Provided*, That this subdivision shall not apply to service on vessels operating in and about the Canal Zone in connection with the maintenance, operation, protection, and civil government of the Panama Canal and Canal Zone.

(2) Continuous service by a seaman on a vessel or vessels whose home port is in the United States and which are of American registry or American owned, if rendered subsequent to the applicant's lawful entry into the United States for permanent residence and immediately preceding the date of naturalization.

SEC. 308. Any alien who has been lawfully admitted into the United States for permanent residence and who has heretofore been or may hereafter be absent temporarily from the United States solely in his or her capacity as a regularly ordained clergyman or nun, shall be considered as residing in the United States for the purpose of naturalization, notwithstanding any such absence from the United States, but he or she shall in all other respects comply with the requirements of the naturalization laws. Such alien shall prove to the satisfaction of the Secretary of Labor and the naturalization court that his or her absence from the United States has been solely in the capacity hereinbefore described.

Requirements as to proof

SEC. 309. (a) As to each period and place of residence in the State in which the petitioner resides at the time of filing the petition, during the entire period of at least 6 months immediately preceding the date of filing the petition, there shall be included in the petition the affidavits of at least two creditable witnesses, citizens of the United States, stating that each has personally known the petitioner to have been a resident at such place for such period, and that the petitioner is and during all such period has been a person of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States.

(b) At the hearing on the petition, residence in the State in which the petitioner resides at the time of filing the petition, for at least 6 months immediately preceding the date of filing the petition, and the other qualifications required by subsection (a) of section 307 during such residence shall be proved by the oral testimony of at least two credible witnesses, citizens of the United States, in addition to the affidavits required by subsection (a) of this section to be included in the petition. At the hearing, residence within the United States during the 5-year period, but outside the State, or within the State but prior to the 6 months immediately preceding the date of filing the petition, and the other qualifications required by subsection (a) of section 307 during such period at such places, shall be proved either by depositions taken in accordance with subsection (e) of section 327, or oral testimony, of at least two such witnesses for each place of residence.

(c) Notwithstanding the provisions of subsections (a) and (b) of this section the requirements of subsection (a) of section 307 as to

the petitioner's residence, moral character, attachment to the principles of the Constitution of the United States, and disposition toward the good order and happiness of the United States may be established by any evidence satisfactory to the naturalization court in those cases under subsection (b) of section 307 in which the alien declarant has been absent from the United States because of his employment by or contract with the Government of the United States or an American institution of research, recognized as such by the Secretary of Labor, or employment by an American firm or corporation engaged in whole or in part in the development of foreign trade and commerce of the United States or a subsidiary thereof.

(d) The clerk of court shall, if the petitioner requests it at the time of filing the petition for naturalization, issue a subpena for the witnesses named by such petitioner to appear upon the day set for the final hearing, but in case such witnesses cannot be produced upon the final hearing other witnesses may be summoned upon notice to the Commissioner, in such manner and at such time as the Commissioner, with the approval of the Secretary, may by regulation prescribe. If it should appear after the petition has been filed that any of the verifying witnesses thereto are not competent, and it further appears that the petitioner has acted in good faith in producing such witnesses found to be incompetent, other witnesses may be substituted in accordance with such regulations.

Married persons

SEC. 310. (a) Any alien who, after September 21, 1922, and prior to May 24, 1934, has married a citizen of the United States, or any alien who married prior to May 24, 1934, a spouse who was naturalized during such period and during the existence of the marital relation may, if eligible to naturalization, be naturalized upon full and complete compliance with all requirements of the naturalization laws, with the following exceptions:

(1) No declaration of intention shall be required;

(2) In lieu of the 5-year period of residence within the United States, and the 6 months' period of residence in the State where the petitioner resided at the time of filing the petition, the petitioner shall have resided continuously in the United States for at least 1 year immediately preceding the filing of the petition.

(b) Any alien who, on or after May 24, 1934, has married or shall hereafter marry a citizen of the United States, or any alien whose husband or wife was naturalized on or after May 24, 1934, and during the existence of the marital relation or shall hereafter be so naturalized may, if eligible for naturalization, be naturalized upon full and complete compliance with all requirements of the naturalization laws, with the following exceptions:

(1) No declaration of intention shall be required;

(2) In lieu of the 5-year period of residence within the United States, and the 6 months' period of residence in the State where the petitioner resided at the time of filing the petition, the petitioner shall have resided continuously in the United States for at least 3 years immediately preceding the filing of the petition.

(c) The naturalization of any woman on or after May 24, 1934, by any naturalization court of competent jurisdiction, upon proof of marriage to a citizen or the naturalization of her husband and proof of but 1 year's residence in the United States is hereby validated only so far as relates to the period of residence required to be proved by such person under the naturalization laws.

(d) The naturalization of any male person on or after May 24, 1934, by any naturalization court of competent jurisdiction, upon proof of marriage to a citizen of the United States after September 21, 1922, and prior to May 24, 1934, or of the naturalization during such period of his wife, and upon proof of 3 years' residence in the United States, is hereby validated only so far as relates to the period of residence required to be proved by such person under the naturalization laws and the omission by such person to make a declaration of intention.

SEC. 311. A person who upon the effective date of this section is married to or thereafter marries a citizen of the United States, or whose spouse is naturalized after the effective date of this section, if such person shall have resided in the United States in marital union with the United States citizen spouse for at least 1 year immediately preceding the filing of the petition for naturalization, may be naturalized after the effective date of this section upon compliance with all requirements of the naturalization laws with the following exceptions:

(a) No declaration of intention shall be required.

(b) The petitioner shall have resided continuously in the United States for at least 2 years immediately preceding the filing of the petition in lieu of the 5-year period of residence within the United States and the 6-month period of residence within the State where the naturalization court is held.

SEC. 312. An alien, whose spouse is (1) a citizen of the United States, (2) in the employment of the Government of the United States, or of an American institution of research recognized as such by the Secretary of Labor, or an American firm or corporation engaged in whole or in part in the development of foreign trade and commerce of the United States, or a subsidiary thereof, and (3) regularly stationed abroad in such employment, and who is (1) in the United States at the time of naturalization, and (2) declares before the naturalization court in good faith an intention to take up residence within the United States immediately upon the termination of such employment abroad of the citizen spouse, may be naturalized upon compliance with all requirements of the naturalization laws, with the following exceptions:

(a) No declaration of intention shall be required; and

(b) No prior residence within the United States or within the jurisdiction of the naturalization court or proof thereof shall be required.

Children

SEC. 313. A child born outside of the United States, one of whose parents at the time of the child's birth was an alien and the other of whose parents then was and never thereafter ceased to be a citizen of the United States, shall, if such alien parent is naturalized, be deemed a citizen of the United States, when—

(a) Such naturalization takes place while such child is under the age of 18 years; and

(b) Such child is residing in the United States at the time of naturalization or thereafter and begins to reside permanently in the United States while under the age of 18 years.

SEC. 314. A child born outside of the United States of alien parents, or of an alien parent and a citizen parent who has subsequently lost citizenship of the United States, becomes a citizen of the United States upon fulfillment of the following conditions:

(a) The naturalization of both parents; or

(b) The naturalization of the surviving parent if one of the parents is deceased; or

(c) The naturalization of the parent having legal custody of the child when there has been a legal separation of the parents; and if—

(d) Such naturalization takes place while such child is under the age of 18 years; and

(e) Such child is residing in the United States at the time of the naturalization of the parent last naturalized under subsection (a) of this section, or the parent naturalized under subsection (b) or (c) of this section, or thereafter begins to reside permanently in the United States while under the age of 18 years.

SEC. 315. A child born outside of the United States, one of whose parents is at the time of petitioning for the naturalization of the child, a citizen of the United States, either by birth or naturalization, may be naturalized if under the age of 18 years and not otherwise disqualified from becoming a citizen and is residing permanently in the United States with the citizen parent, on the petition of such citizen parent, without a declaration of intention, upon compliance with the applicable procedural provisions of the naturalization laws.

SEC. 316. An adopted child may, if not otherwise disqualified from becoming a citizen, be naturalized before reaching the age of 18 years upon the petition of the adoptive parent or parents if the child has resided continuously in the United States for at least 2 years immediately preceding the date of filing such petition, upon compliance with all the applicable procedural provisions of the naturalization laws, if the adoptive parent or parents are citizens of the United States, and the child was—

(a) Lawfully admitted to the United States for permanent residence; and

(b) Adopted in the United States before reaching the age of 16 years; and

(c) Adopted and in the legal custody of the adoptive parent or parents for at least 2 years prior to the filing of the petition for the child's naturalization.

Former citizens of the United States

SEC. 317. (a) A person who was a citizen of the United States and who prior to September 22, 1922, lost United States citizenship by marriage to an alien or by the spouse's loss of United States citizenship, and any person who lost United States citizenship on or after September 22, 1922, by marriage to an alien ineligible to citizenship, may, if no other nationality was acquired by affirmative act other than such marriage, be naturalized upon compliance with all requirements of the naturalization laws with the following exceptions:

(1) No declaration of intention and no certificate of arrival shall be required, and no period of residence within the United States or within the State where the petition is filed shall be required.

(2) The petition need not set forth that it is the intention of the petitioner to reside permanently within the United States.

(3) The petition may be filed in any court having naturalization jurisdiction, regardless of the residence of the petitioner.

(4) The petition may be heard at any time after filing if there is attached to the petition at the time of filing a certificate from a naturalization examiner stating that the petitioner has appeared before such examiner for examination.

Such person shall have, from and after the naturalization, the same citizenship status as that which existed immediately prior to its loss.

(b) (1) From and after the effective date of this act, a woman, who was a citizen of the United States at birth, and who has or is believed to have lost her United States citizenship solely by reason of her marriage prior to September 22, 1922, to an alien, and whose marital status with such alien has or shall have terminated, if no other nationality was acquired by affirmative act other than such marriage, shall, from and after the taking of the oath of allegiance prescribed by subsection (b) of section 335 of this act, be deemed to be a citizen of the United States to the same extent as though her marriage to said alien had taken place on or after September 22, 1922.

(2) Such oath of allegiance may be taken abroad before a diplomatic or consular officer of the United States, or in the United States before the judge or clerk of a naturalization court.

(3) Such oath of allegiance shall be entered in the records of the appropriate embassy or legation or consulate or naturalization

court, and upon demand, a certified copy of the proceedings, including a copy of the oath administered, under the seal of the embassy or legation or consulate or naturalization court, shall be delivered to such woman at a cost not exceeding $1, which certified copy shall be evidence of the facts stated therein before any court of record or judicial tribunal and in any department of the United States.

SEC. 318. (a) A former citizen of the United States expatriated through the expatriation of such person's parent or parents and who has not acquired the nationality of another country by any affirmative act other than the expatriation of his parent or parents may be naturalized upon filing a petition for naturalization before reaching the age of 25 years and upon compliance with all requirements of the naturalization laws with the following exceptions:

(1) No declaration of intention and no certificate of arrival and no period of residence within the United States or in a State shall be required;

(2) The petition may be filed in any court having naturalization jurisdiction, regardless of the residence of the petitioner;

(3) If there is attached to the petition at the time of filing, a certificate from a naturalization examiner stating that the petitioner has appeared before him for examination, the petition may be heard at any time after filing; and

(4) Proof that the petitioner was at the time his petition was filed and at the time of the final hearing thereon a person of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States, and that he intends to reside permanently in the United States shall be made by any means satisfactory to the naturalization court.

(b) No former citizen of the United States, expatriated through the expatriation of such person's parent or parents, shall be obliged to comply with the requirements of the immigration laws, if he has not acquired the nationality of another country by any affirmative act other than the expatriation of his parent or parents, and if he has come or shall come to the United States before reaching the age of 25 years.

(c) After his naturalization such person shall have the same citizenship status as if he had not been expatriated.

SEC. 319. (a) A person who as a minor child lost citizenship of the United States through the cancelation of the parent's naturalization on grounds other than actual fraud or presumptive fraud as specified in the second paragraph of section 15 of the act of June 29, 1906, as amended (34 Stat. 601; 40 Stat. 544, U. S. C., title 8, sec. 405), or who shall lose citizenship of the United States under subsection (c) of section 338 of this act, may, if such person resided in the United States at the time of such cancelation and if, within 2 years after such cancelation or within 2 years after the effective date of this section, such person files a petition for naturalization or such a petition is filed on such person's behalf by a parent or guardian if such person is under the age of 18 years, be naturalized upon compliance with all requirements of the naturalization laws with the exception that no declaration of intention shall be required and the required 5-year period of residence in the United States need not be continuous.

(b) Citizenship acquired under this section shall begin as of the date of the person's naturalization, except that in those cases where the person has resided continuously in the United States from the date of the cancelation of the parent's naturalization to the date of the person's naturalization under this section, the citizenship of such person shall relate back to the date of the parent's naturalization which has been canceled or to the date of such person's arrival in the United States for permanent residence if such date was subsequent to the date of naturalization of said parent.

Persons misinformed of citizenship status

SEC. 320. A person not an alien enemy, who resided uninterruptedly within the United States during the period of 5 years next preceding July 1, 1920, and was on that date otherwise qualified to become a citizen of the United States, except that such person had not made a declaration of intention required by law and who during or prior to that time, because of misinformation regarding the citizenship status of such person, erroneously exercised the rights and performed the duties of a citizen of the United States in good faith, may file the petition for naturalization prescribed by law without making the preliminary declaration of intention, and upon satisfactory proof to the court that petitioner has so acted may be admitted as a citizen of the United States upon complying with the other requirements of the naturalization laws.

Nationals but not citizens of the United States

SEC. 321. A person not a citizen who owes permanent allegiance to the United States, and who is otherwise qualified may, if he becomes a resident of any State, be naturalized upon compliance with the requirements of this act, except that in petitions for naturalization filed under the provisions of this section, residence within the United States within the meaning of this act shall include residence within any of the outlying possessions of the United States.

Puerto Ricans

SEC. 322. A person born in Puerto Rico of alien parents, referred to in the last paragraph of section 5, act of March 2, 1917 (U. S. C., title 8, sec. 5), and in section 5a, of the said act, as amended by section 2 of the act of March 4, 1927 (U. S. C., title 8, sec. 5a), who did not exercise the privilege granted of becoming a citizen of the United States, may make the declaration provided in said paragraph at any time, and from and after the making of such declaration shall be a citizen of the United States.

Persons serving in armed forces or on vessels

SEC. 323. A person who, while a citizen of the United States and during the World War in Europe, entered the military or naval service of any country at war with a country with which the United States was then at war, who has lost citizenship of the United States by reason of any oath or obligation taken for the purpose of entering such service, may be naturalized by taking before any naturalization court specified in subsection (a) of section 301 the oaths prescribed by section 335.

SEC. 324. (a) A person, including a native-born Filipino, who has served honorably at any time in the United States Army, Navy, Marine Corps, or Coast Guard for a period or periods aggregating 3 years and who, if separated from such service, was separated under honorable conditions, may be naturalized without having resided, continuously immediately preceding the date of filing such person's petition, in the United States for at least 5 years and in the State in which the petition for naturalization is filed for at least 6 months, if such petition is filed while the petitioner is still in the service or within 6 months after the termination of such service.

(b) A person filing a petition under subsection (a) of this section shall comply in all respects with the requirements of this chapter except that—

(1) No declaration of intention shall be required;

(2) No certificate of arrival shall be required;

(3) No residence within the jurisdiction of the court shall be required;

(4) Such petitioner may be naturalized immediately if the petitioner be then actually in any of the services prescribed in subsection (a) of this section, and if, before filing the petition for naturalization, such petitioner and at least two verifying witnesses to the petition, who shall be citizens of the United States and who shall identify petitioner as the person who rendered the service upon which the petition is based, have appeared before and been examined by a representative of the Service.

(c) In case such petitioner's service was not continuous, petitioner's residence in the United States and State, good moral character, attachment to the principles of the Constitution of the United States, and favorable disposition toward the good order and happiness of the United States, during any period within 5 years immediately preceding the date of filing said petition between the periods of petitioner's service in the United States Army, Navy, Marine Corps, or Coast Guard, shall be verified in the petition filed under the provisions of subsection (a) of this section, and proved at the final hearing thereon by witnesses, citizens of the United States, in the same manner as required by section 309. Such verification and proof shall also be made as to any period between the termination of petitioner's service and the filing of the petition for naturalization.

(d) The petitioner shall comply with the requirements of section 309 as to continuous residence in the United States for at least 5 years and in the State in which the petition is filed for at least 6 months, immediately preceding the date of filing the petition, if the termination of such service has been more than 6 months preceding the date of filing the petition for naturalization, except that such service shall be considered as residence within the United States or the State.

(e) Any such period or periods of service under honorable conditions, and good moral character, attachment to the principles of the Constitution of the United States, and favorable disposition toward the good order and happiness of the United States, during such service, shall be proved by duly authenticated copies of records of the executive departments having custody of the records of such service, and such authenticated copies of records shall be accepted in lieu of affidavits and testimony or depositions of witnesses.

SEC. 325. (a) A person who has served honorably or with good conduct for an aggregate period of at least 3 years (1) on board of any vessel of the United States Government other than in the United States Navy, Marine Corps, or Coast Guard, or (2) on board vessels of more than 20 tons burden, whether or not documented under the laws of the United States, and whether public or private, which are not foreign vessels, and whose home port is in the United States, may be naturalized without having resided, continuously immediately preceding the date of filing such person's petition, in the United States for at least 5 years, and in the State in which the petition for naturalization is filed for at least 6 months, if such petition is filed while the petitioner is still in the service on a reenlistment, reappointment, or reshipment, or within 6 months after an honorable discharge or separation therefrom.

(b) The provisions of subsections (b), (c), (d), and (e) of section 324 shall apply to petitions for naturalization filed under this section, except that service with good conduct on vessels described in subsection (a) (2) of this section may be proved by certificates from the masters of such vessels.

Alien enemies

SEC. 326. (a) An alien who is a native, citizen, subject, or denizen of any country, state, or sovereignty with which the United States is at war may be naturalized as a citizen of the United States if such alien's declaration of intention was made not less than 2 years prior to the beginning of the state of war, or such alien was at the beginning of the state of war entitled to become a citizen of the United States without making a declaration of intention, or his petition for naturalization shall at the beginning of the state

of war be pending and the petitioner is otherwise entitled to admission, notwithstanding such petitioner shall be an alien enemy at the time and in the manner prescribed by the laws passed upon that subject.

(b) An alien embraced within this section shall not have such alien's petition for naturalization called for a hearing, or heard, except after 90 days' notice given by the clerk of the court to the Commissioner to be represented at the hearing, and the Commissioner's objection to such final hearing shall cause the petition to be continued from time to time for so long as the Commissioner may require.

(c) Nothing herein contained shall be taken or construed to interfere with or prevent the apprehension and removal, agreeably to law, of any alien enemy at any time previous to the actual naturalization of such alien.

(d) The President of the United States may, in his discretion, upon investigation and report by the Department of Justice fully establishing the loyalty of any alien enemy not included in the foregoing exemption, except such alien enemy from the classification of alien enemy, and thereupon such alien shall have the privilege of applying for naturalization.

PROCEDURAL AND ADMINISTRATIVE PROVISIONS

Executive functions

SEC. 327. (a) The Commissioner, or, in his absence, a Deputy Commissioner, shall have charge of the administration of the naturalization laws, under the immediate direction of the Secretary of Labor, to whom the Commissioner shall report directly upon all naturalization matters annually and as otherwise required.

(b) The Commissioner, with the approval of the Secretary, shall make such rules and regulations as may be necessary to carry into effect the provisions of this chapter and is authorized to prescribe the scope and nature of the examination of petitioners for naturalization as to their admissibility to citizenship for the purpose of making appropriate recommendations to the naturalization courts. Such examination shall be limited to inquiry concerning the applicant's residence, good moral character, understanding of and attachment to the fundamental principles of the Constitution of the United States, and other qualifications to become a naturalized citizen as required by law, and shall be uniform throughout the United States.

(c) The Commissioner is authorized to promote instruction and training in citizenship responsibilities of applicants for naturalization including the sending of names of candidates for naturalization to the public schools, preparing and distributing citizenship textbooks to such candidates as are receiving instruction in preparation for citizenship within or under the supervision of the public schools, preparing and distributing monthly an immigration and naturalization bulletin and securing the aid of and cooperating with official State and National organizations, including those concerned with vocational education.

(d) The Commissioner shall prescribe and furnish such forms as may be required to give effect to the provisions of this chapter, and only such forms as may be so provided shall be legal. All certificates of naturalization and of citizenship shall be printed on safety paper and shall be consecutively numbered in separate series.

(e) Members of the Service may be designated by the Commissioner or a Deputy Commissioner to administer oaths and to take depositions without charge in matters relating to the administration of the naturalization and citizenship laws. In cases where there is a likelihood of unusual delay or of hardship, the Commissioner or a Deputy Commissioner may, in his discretion, authorize such depositions to be taken before a postmaster without charge, or before a notary public or other person authorized to administer oaths for general purposes.

(f) A certificate of naturalization or of citizenship issued by the Commissioner or a Deputy Commissioner under the authority of this act shall have the same effect in all courts, tribunals, and public offices of the United States, at home and abroad, of the District of Columbia, and of each State, Territory, and insular possession of the United States, as a certificate of naturalization or of citizenship issued by a court having naturalization jurisdiction.

(g) Certifications and certified copies of all papers, documents, certificates, and records required or authorized to be issued, used, filed, recorded, or kept under any and all provisions of this chapter shall be admitted in evidence equally with the originals in any and all cases and proceedings under this act and in all cases and proceedings in which the originals thereof might be admissible as evidence.

(h) The officers in charge of property owned or leased by the Government are authorized, upon the recommendation of the Secretary of Labor, to provide quarters, without payment of rent, in any building occupied by the Service, for a photographic studio, operated by welfare organizations without profit and solely for the benefit of aliens seeking naturalization. Such studio shall be under the supervision of the Commissioner.

Registry of aliens

SEC. 328. (a) The Commissioner shall cause to be made, for use in complying with the requirements of this chapter, a registry of each person arriving in the United States after the effective date of this act, of the name, age, occupation, personal description (including height, complexion, color of hair and eyes), the date and place of birth, nationality, the last residence, the intended place of residence in the United States, the date and place of arrival of said person, and the name of vessel or other means of transportation, upon which said person arrived.

(b) Registry of aliens at ports of entry required by subsection (a) of this section may be made as to any alien not ineligible to citizenship in whose case there is no record of admission for permanent residence, if such alien shall make a satisfactory showing to the Commissioner, in accordance with regulations prescribed by the Commissioner, with the approval of the Secretary, that such alien—

(1) Entered the United States prior to July 1, 1924;

(2) Has resided in the United States continuously since such entry;

(3) Is a person of good moral character; and

(4) Is not subject to deportation.

(c) For the purposes of the immigration laws and naturalization laws an alien, in respect of whom a record of registry has been made as authorized by this section, shall be deemed to have been lawfully admitted to the United States for permanent residence as of the date of such alien's entry.

Certificate of arrival

SEC. 329. (a) The certificate of arrival required by this chapter may be issued upon application to the Commissioner in accordance with regulations prescribed by the Commissioner, with the approval of the Secretary, upon the making of a record of registry as authorized by section 328 of this act.

(b) No declaration of intention shall be made by any person who arrived in the United States after June 29, 1906, until such person's lawful entry for permanent residence shall have been established and a certificate showing the date, place, and manner of arrival in the United States shall have been issued. It shall be the duty of the Commissioner or a Deputy Commissioner to cause to be issued such certificate.

Photographs

SEC. 330. (a) Two photographs of the applicant shall be signed by and furnished by each applicant for a declaration of intention and by each petitioner for naturalization or citizenship. One of such photographs shall be affixed by the clerk of the court to the triplicate declaration of intention issued to the declarant and one to the duplicate declaration of intention required to be forwarded to the Service; and one of such photographs shall be affixed to the original certificate of naturalization issued to the naturalized citizen and one to the duplicate certificate of naturalization required to be forwarded to the Service.

(b) Two photographs of the applicant shall be furnished by each applicant for—

(1) A record of registry;

(2) A certificate of derivative citizenship;

(3) A certificate of naturalization;

(4) A special certificate;

(5) A declaration of intention or a certificate of naturalization or of citizenship, in lieu of one lost, mutilated, or destroyed; and

(6) A new certificate of citizenship in the new name of any naturalized citizen who, subsequent to naturalization, has had such citizen's name changed by order of a court of competent jurisdiction or by marriage.

One such photograph shall be affixed to each such declaration or certificate issued by the Commissioner and one shall be affixed to the copy of such declaration or certificate retained by the Service.

Declaration of intention

SEC. 331. An applicant for naturalization shall make, under oath before, and only in the office of, the clerk of court or such clerk's authorized deputy, regardless of the place of residence in the United States of the applicant, not less than 2 nor more than 10 years at least prior to the applicant's petition for naturalization, and after the applicant has reached the age of 18 years, a signed declaration of intention to become a citizen of the United States, which declaration shall be set forth in writing, in triplicate, and shall contain substantially the following averments by such applicant:

(1) My full, true, and correct name is ——— (full, true name, without abbreviation, and any other name which has been used, must appear here).

(2) My present place of residence is ——— (number and street), ——— (city or town), ——— (county), ——— (State).

(3) My occupation is ———.

(4) I am ——— years old.

(5) My personal description is as follows: Sex ———; color ———, complexion ———, color of eyes ———, color of hair ———, height ——— feet ——— inches, weight ——— pounds; visible distinctive marks ———; race ———; present nationality ———.

(6) I was born on ——— (month, day, and year), in ——— (city or town), ——— (county, district, Province, or State), ——— (country).

(7) I am ——— married; the name of my wife or husband is ———; we were married on ——— (month, day, and year), at ——— (city or town), ——— (State or country); he or she was born at ——— (city or town), ——— (county, district, Province, or State), ——— (country), on ——— (month, day, and year); and entered the United States at ——— (city or town), ——— (State), on ——— (month, day, and year), for permanent residence in the United States, and now resides at ——— (city or town), ——— (State or country).

(8) I have ——— children; and the name, sex, date, and place of birth, and present place of residence of each of said children who is living are as follows: ———.

(9) My place of last foreign residence was ——— (city or town), ——— (county, district, or Province), ——— (country).

(10) I emigrated to the United States from ——— (city or town), ———(country).

(11) My lawful entry for permanent residence in the United States was at ——— (city or town), ——— (State), under the name of ———, on ——— (month, day, and year), on the ——— (name of vessel or other means of conveyance).

(12) I have ——— been absent from the United States, having departed therefrom on ——— (dates of departures), from the port or ports of ———, upon the following vessels or other means of conveyance: ——— (names of vessels or conveyances upon departures); and returned to the United States on ——— (dates of return to the United States), at the port or ports of ———, upon the following vessels or other means of conveyance ———: (names of vessels or conveyances upon return).

(13) I have ——— heretofore made declaration of intention No. ———, on ——— (month, day, and year), at ——— (city or town), ——— (county), ——— (State), in the ——— (name of court).

(14) I am not an anarchist, nor a disbeliever in or opposed to organized government, nor a member of or affiliated with any organization or body of persons teaching disbelief in or opposition to organized government.

(15) It is my intention in good faith to become a citizen of the United States and to reside permanently therein.

(16) I will, before being admitted to citizenship, renounce forever all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which at the time of admission to citizenship I may be a subject or citizen.

(17) I certify that the photograph affixed to the duplicate and triplicate hereof is a likeness of me and was signed by me.

(18) So help me God.

Petition for naturalization

SEC. 332. (a) An applicant for naturalization shall, not less than 2 nor more than 10 years after such declaration of intention has been made, make and file in the office of the clerk of a naturalization court, in duplicate, a sworn petition in writing, signed by the applicant in the applicant's own handwriting, if physically able to write, and duly verified by witnesses, which petition shall contain substantially the following averments by such applicant:

(1) My full, true, and correct name is ——— (full, true name, without abbreviation, and any other name which has been used, must appear here).

(2) My present place of residence is ——— (number and street), ——— (city or town), ——— (county), ———(State).

(3) My occupation is ———.

(4) I am ——— years old.

(5) My personal description is: Sex ———, color ———, complexion ———, color of eyes, ———, color of hair ———, height ——— feet ——— inches, weight ——— pounds; visible distinctive marks ———; race ———; present nationality ———.

(6) I was born on ——— (month, day, and year), in ——— (city or town), ——— (county, district, Province, or State), ——— (country).

(7) I am ——— married; the name of my wife or husband is ———; we were married on ——— (month, day, and year), at ——— (city or town), ——— (state or country); he or she was born at ——— (city or town), ——— (county, district, Province, or State), ——— (country), on ——— (month, day, and year); entered the United States at ——— (city or town), ——— (State), on ——— (month, day, and year), for permanent residence in the United States, and now resides at ——— (city or town), ——— (State or country).

(8) I have ——— children; and the name, sex, date, and place of birth, and present place of residence of each of said children who is living are as follows: ———.

(9) My last place of foreign residence was ——— (city or town), ——— (county, district, or Province), ——— (country).

(10) I emigrated to the United States from ——— (city or town), ——— (country).

(11) My lawful entry for permanent residence in the United States was at ——— (city or town), ——— (State), under the name of ———, on ——— (month, day, and year), on the ——— (name of vessel or other means of conveyance), as shown by the certificate of my arrival attached to this petition.

(12) I have ——— been absent from the United States, having departed therefrom on ——— (dates of departures), from the port or ports of ———, upon the following vessels or other means of conveyance: ——— (names of vessels or conveyances upon departures); and returned to the United States on ——— (dates of return to the United States), at the port or ports of ———, upon the following vessels or other means of conveyance: ——— (names of vessels or conveyances upon return).

(13) I have resided continuously in the United States of America for the term of 5 years at least immediately preceding the date of this petition, to wit, since ———, and continuously in the State in which this petition is made for the term of 6 months at least immediately preceding the date of this petition, to wit, since ———.

(14) I declared my intention to become a citizen of the United States on ——— (month, day, and year), in the ——— (name of court) Court of ———, at ——— (city or town), ——— (State).

(15) I have ——— heretofore made petition for naturalization number ———, on ——— (month, day, and year), at ——— (city or town), ——— (county), ——— (State), in the ——— (name of court), and such petition was dismissed or denied by that Court for the following reasons and causes, to wit: ———, and the cause of such dismissal or denial has since been cured or removed.

(16) I am not an anarchist, nor a disbeliever in or opposed to organized government, nor a member of or affiliated with any organization or body of persons teaching disbelief in or opposition to organized government.

(17) I am attached to the principles of the Constitution of the United States and well disposed to the good order and happiness of the United States.

(18) It is my intention in good faith to become a citizen of the United States and to reside permanently therein.

(19) It is my intention to renounce absolutely and forever all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which at this time I am a subject or citizen.

(20) Attached hereto and made a part of this, my petition for naturalization, are my declaration of intention to become a citizen of the United States (if such declaration of intention be required by the naturalization law), a certificate of arrival from the Immigration and Naturalization Service of my said lawful entry into the United States for permanent residence (if such certificate of arrival be required by the naturalization law), and the affidavits of the two verifying witnesses required by law.

(21) Wherefore, I, petitioner for naturalization, pray that I may be admitted a citizen of the United States of America, and that my name be changed to ———.

(22) I, aforesaid petitioner, being duly sworn, depose and say that I have (read) (heard read) this petition and know that the same is true of my own knowledge except as to matters herein stated to be alleged upon information and belief, and that as to those matters I believe it to be true; and that this petition is signed by me with my full, true, and correct name. So help me God. ——— (full, true, and correct name of petitioner).

(b) The applicant's petition for naturalization, in addition to the averments required by subsection (a) of this section, shall include averments of all other facts which may be material to the applicant's naturalization and required to be proved upon the hearing of such petition.

(c) At the time of filing the petition for naturalization there shall be filed with the clerk of court a certificate from the Service, if the petitioner arrived in the United States after June 29, 1906, stating the date, place, and manner of petitioner's arrival in the United States, and the declaration of intention of such petitioner, which certificate and declaration shall be attached to and made a part of said petition.

(d) Petitions for naturalization may be made and filed during the term time or vacation of the court and shall be docketed the same day as filed, but final action thereon shall be had only on stated days, to be fixed by rule of the court.

Hearing of petitions

SEC. 333. (a) The Commissioner or a Deputy Commissioner shall designate members of the Service to conduct preliminary hearings upon petitions for naturalization to any naturalization court and to make findings and recommendations thereon to such court. For such purposes any such designated examiner is hereby authorized to take testimony concerning any matter touching or in any way affecting the admissibility of any petitioner for naturalization, to subpena witnesses, and to administer oaths, including the oath of the petitioner to the petition for naturalization and the oath of petitioner's witnesses.

(b) The findings of any such designated examiner upon any such preliminary hearing shall be submitted to the court at the final hearing upon the petition with a recommendation that the petition be granted, or denied, or continued, with the reasons therefor. Such findings and recommendations shall be accompanied by duplicate lists containing the names of the petitioners, classified according to the character of the recommendations, and signed by the designated examiner. The judge to whom such findings and recommendations are submitted shall, if he approve such recommendations, enter a written order with such exceptions as the judge may deem proper, by subscribing his name to each such list when corrected to conform to his conclusions upon such recommendations. One of such lists shall thereafter be filed permanently of record in such court and the duplicate list shall be sent by the clerk of such court to the Commissioner.

SEC. 334. (a) Every final hearing upon a petition for naturalization shall be had in open court before a judge or judges thereof, and every final order which may be made upon such petition shall be under the hand of the court and entered in full upon a record kept for that purpose, and upon such final hearing of such petition the applicant, and, except as provided in subsection (b) of this section, the witnesses shall be examined under oath before the court and in the presence of the court.

(b) The requirement of subsection (a) of this section for the examination of the petitioner and witnesses under oath before the court and in the presence of the court shall not apply in any case where a designated examiner has conducted the preliminary hearing authorized by subsection (a) of section 333; except that the court may, in its discretion, and shall, upon demand of the petitioner, require the examination of the petitioner and the witnesses under oath before the court and in the presence of the court.

(c) Except as otherwise specifically provided in this act, no final hearing shall be held on any petition for naturalization nor shall any person be naturalized nor shall any certificate of naturalization be issued by any court within 30 days after the filing of the petition for naturalization, nor within 60 days preceding the holding of any

general election within the territorial jurisdiction of the naturalization court.

(d) The United States shall have the right to appear before any court in any naturalization proceedings for the purpose of cross-examining the petitioner and the witnesses produced in support of the petition concerning any matter touching or in any way affecting the petitioner's right to admission to citizenship, and shall have the right to call witnesses, produce evidence, and be heard in opposition to the granting of any petition in naturalization proceedings.

(e) It shall be lawful at the time and as a part of the naturalization of any person for the court in its discretion, upon the prayer of the petitioner included in the petition for naturalization of such person, to make a decree changing the name of said person, and the certificate of naturalization shall be issued in accordance therewith.

Oath of renunciation and allegiance

SEC. 335. (a) A person who has petitioned for naturalization shall, before being admitted to citizenship, take an oath in open court (1) to support the Constitution of the United States, (2) to renounce and abjure absolutely and entirely all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which the petitioner was before a subject or citizen, (3) to support and defend the Constitution and the laws of the United States against all enemies, foreign and domestic, and (4) to bear true faith and allegiance to the same, provided that in the case of the naturalization of a child under the provisions of section 315 or 316 the naturalization court may waive the taking of such oath if in the opinion of the court the child is too young to understand its meaning.

(b) The oath prescribed by subsection (a) of this section which the petitioner for naturalization is required to take, shall be in the following form:

I hereby declare, on oath, that I absolutely and entirely renounce and abjure all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which I have heretofore been a subject or citizen; that I will support and defend the Constitution and laws of the United States of America against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; and that I take this obligation freely without any mental reservation or purpose of evasion: So help me God. In acknowledgment whereof I have hereunto affixed my signature.

(c) In case the person petitioning for naturalization has borne any hereditary title, or has been of any of the orders of nobility in any foreign state, the petitioner shall, in addition to complying with the requirements of subsections (a) and (b) of this section, make under oath in open court, in the court to which the petition for naturalization is made, an express renunciation of such title or order of nobility, and such renunciation shall be recorded in the court as a part of such proceedings.

Certificate of naturalization

SEC. 336. A person, admitted to citizenship by a naturalization court in conformity with the provisions of this act, shall be entitled upon such admission to receive from the clerk of such court a certificate of naturalization, which shall contain substantially the following information: Number of petition for naturalization; number of certificate of naturalization; date of naturalization; name, signature, place of residence, autographed photograph, and personal description of the naturalized person, including age, sex, marital status, and country of former nationality; title, venue, and location of the naturalization court; statement that the court, having found that the petitioner intends to reside permanently in the United States, had complied in all respects with all of the applicable provisions of the naturalization laws of the United States, and was entitled to be admitted a citizen of the United States of America, thereupon ordered that the petitioner be admitted as a citizen of the United States of America; attestation of the clerk of the naturalization court; and seal of the court.

Functions and duties of clerks of courts

SEC. 337. (a) It is hereby made the duty of the clerk of each and every naturalization court to administer the oath in the clerk's office to each applicant for a declaration of intention made before such clerk, and to retain the original of such declaration of intention for the permanent files of the court, to forward the duplicate thereof to the Commissioner within 30 days after the close of the month in which such declaration was filed, and to furnish the declarant with the triplicate thereof.

(b) It shall be the duty of the clerk of each and every naturalization court to forward to the Commissioner a duplicate of each petition for naturalization within 30 days after the close of the month in which such petition was filed, and to forward to the Commissioner certified copies of such other proceedings and orders instituted in or issued out of said court affecting or relating to the naturalization of persons as may be required from time to time by the Commissioner.

(c) It shall be the duty of the clerk of each and every naturalization court to issue to any person admitted by such court to citizenship a certificate of naturalization and to forward to the Commissioner within 30 days after the close of the month in which such certificate was issued, a duplicate thereof, and to make and keep on file in the clerk's office a stub for each certificate so issued, whereon shall be entered a memorandum of all the essential facts set forth in such certificate, and to forward a duplicate of each such stub to the Commissioner within 30 days after the close of the month in which such certificate was issued.

(d) It shall be the duty of the clerk of each and every naturalization court to report to the Commissioner, within 30 days after the close of the month in which the final hearing and decision of the court was had, the name and number of the petition of each and every person who shall be denied naturalization together with the cause of such denial.

(e) Clerks of courts shall be responsible for all blank certificates of naturalization received by them from time to time from the Commissioner, and shall account to the Commissioner for them whenever required to do so. No certificate of naturalization received by any clerk of court which may be defaced or injured in such manner as to prevent its use as herein provided shall in any case be destroyed, but such certificate shall be returned to the Commissioner.

(f) It shall be the duty of the clerk of each and every naturalization court to cause to be filed in chronological order in separate volumes, indexed, consecutively numbered, and made a part of the records of such court, all declarations of intention and petitions for naturalization.

Revocation of naturalization

SEC. 338. (a) It shall be the duty of the United States district attorneys for the respective districts, or the Commissioner, or a Deputy Commissioner, upon affidavit showing good cause therefor, to institute proceedings in any court specified in subsection (a) of section 301 in the judicial district in which the naturalized citizen may reside at the time of bringing suit, for the purpose of revoking and setting aside the order admitting such person to citizenship and canceling the certificate of naturalization on the ground of fraud or on the ground that such order and certificate of naturalization were illegally procured.

(b) The party to whom was granted the naturalization alleged to have been fraudulently or illegally procured shall, in any such proceedings under subsection (a) of this section, have 60 days' personal notice in which to make answer to the petition of the United States; and if such naturalized person be absent from the United States or from the judicial district in which such person last had his residence, such notice shall be given by publication in the manner provided for the service of summons by publication or upon absentees by the laws of the State or the place where such suit is brought.

(c) If a person who shall have been naturalized shall, within 5 years after such naturalization, return to the country of such person's nativity, or go to any other foreign country, and take permanent residence therein, it shall be considered prima facie evidence of a lack of intention on the part of such person to become a permanent citizen of the United States at the time of filing such person's petition for naturalization, and, in the absence of countervailing evidence, it shall be sufficient in the proper proceeding to authorize the revocation and setting aside of the order admitting such person to citizenship and the cancelation of the certificate of naturalization as having been obtained through fraud. The diplomatic and consular officers of the United States in foreign countries shall from time to time, through the Department of State, furnish the Department of Justice with the names of those persons within their respective jurisdictions who have been so naturalized and who have taken permanent residence in the country of their nativity, or in any other foreign country, and such statements, duly certified, shall be admissible in evidence in all courts in proceedings to revoke and set aside the order admitting to citizenship and to cancel the certificate of naturalization.

(d) The revocation and setting aside of the order admitting any person to citizenship and canceling his certificate of naturalization under the provisions of subsection (a) of section 338 shall not, where such action takes place after the effective date of this act, result in the loss of citizenship or any right or privilege of citizenship which would have been derived by or available to a wife or minor child of the naturalized person had such naturalization not been revoked, but the citizenship and any such right or privilege of such wife or minor child shall be deemed valid to the extent that it shall not be affected by such revocation: *Provided*, That this subsection shall not apply in any case where the revocation and setting aside of the order was the result of actual fraud.

(e) When a person shall be convicted under this act of knowingly procuring naturalization in violation of law, the court in which such conviction is had shall thereupon revoke, set aside, and declare void the final order admitting such person to citizenship, and shall declare the certificate of naturalization of such person to be canceled. Jurisdiction is hereby conferred on the courts having jurisdiction of the trial of such offense to make such adjudication.

(f) Whenever an order admitting an alien to citizenship shall be revoked and set aside or a certificate of naturalization shall be canceled, or both, as provided in this section, the court in which such judgment or decree is rendered shall make an order canceling such certificate and shall send a certified copy of such order to the Commissioner; in case such certificate was not originally issued by the court making such order, it shall direct the clerk of the naturalization court in which the order is revoked and set aside to transmit a copy of such order and judgment to the court out of which such certificate of naturalization shall have been originally issued. It shall thereupon be the duty of the clerk of the court receiving such certified copy of the order and judgment of the court to enter the same of record and to cancel such original certificate of naturalization, if there be any, upon the records and to notify the Commissioner of the entry of such order and of such cancelation. A person holding a certificate of naturalization or

citizenship which has been canceled as provided by this section shall upon notice by the court by which the decree of cancelation was made, or by the Commissioner, surrender the same to the Commissioner.

(g) The provisions of this section shall apply not only to any naturalization granted and to certificates of naturalization and citizenship issued under the provisions of this act, but to any naturalization heretofore granted by any court, and to all certificates of naturalization and citizenship which may have been issued heretofore by any court or by the Commissioner based upon naturalization granted by any court.

Certificates of derivative citizenship

SEC. 339. A person who claims to have derived United States citizenship through the naturalization of a parent or through the naturalization or citizenship of a spouse may apply to the Commissioner for a certificate of citizenship. Upon proof to the satisfaction of the Commissioner that the applicant is a citizen, and that the applicant's alleged citizenship was derived as claimed, and upon taking and subscribing before a member of the Service within the United States to the oath of allegiance required by this act of a petitioner for naturalization, such individual shall be furnished by the Commissioner or a Deputy Commissioner with a certificate of citizenship, but only if such individual is at the time within the United States.

Revocation of certificates issued by the Commissioner or a Deputy Commissioner

SEC. 340. The Commissioner is authorized to cancel any certificate of citizenship or any copy of a declaration of intention or certificate of naturalization heretofore or hereafter issued by the Commissioner or a Deputy Commissioner if it shall appear to the Commissioner's satisfaction that such document was illegally or fraudulently obtained from the Commissioner or a Deputy Commissioner; but the person to whom such document has been issued, shall be given at such person's last known place of address, written notice of the intention to cancel such document with the reasons therefor and shall be given at least 60 days in which to show cause why such document should not be canceled. The cancelation of any such document shall affect only the document and not the citizenship status of the person in whose name the document was issued.

Documents and copies issued by the Commissioner or a Deputy Commissioner

SEC. 341. (a) A person who claims to have been naturalized in the United States under section 323 of this act may make application to the Commissioner for a certificate of naturalization. Upon proof to the satisfaction of the Commissioner or a Deputy Commissioner that the applicant is a citizen and that he has been naturalized as claimed in the application, such individual shall be furnished a certificate of naturalization by the Commissioner or a Deputy Commissioner, but only if the applicant is at the time within the United States.

(b) If any certificate of naturalization or citizenship issued to any citizen, or any declaration of intention furnished to any declarant, is lost, mutilated, or destroyed, the citizen or declarant may make application to the Commissioner for a new certificate or declaration. If the Commissioner or a Deputy Commissioner finds that the certificate or declaration is lost, mutilated, or destroyed, he shall issue to the applicant a new certificate or declaration. If the certificate or declaration has been mutilated, it shall be surrendered to the Commissioner or a Deputy Commissioner before the applicant may receive such new certificate or declaration. If the certificate or declaration has been lost, the applicant or any other person who may come into possession of it is hereby required to surrender it to the Commissioner or a Deputy Commissioner.

(c) The Commissioner or a Deputy Commissioner shall issue for any naturalized citizen, on such citizen's application therefor, a special certificate of naturalization for use by such citizen only for the purpose of obtaining recognition as a citizen of the United States by a foreign state. Such certificate when issued shall be furnished to the Secretary of State for transmission to the proper authority in such foreign state.

(d) If the name of any naturalized citizen has, subsequent to naturalization, been changed by order of any court of competent jurisdiction, or by marriage, the citizen may make application for a new certificate of naturalization in the new name of such citizen. If the Commissioner or a Deputy Commissioner finds the name of the applicant to have been changed as claimed, the Commissioner or a Deputy Commissioner shall issue to the applicant a new certificate and shall notify the naturalization court of such action.

(e) The Commissioner or a Deputy Commissioner is authorized to make and issue, without fee, certifications of any part of the naturalization records of any court, or of any certificate of naturalization or citizenship, for use in complying with any statute, State or Federal, or in any judicial proceeding. No such certification shall be made by any clerk of court except upon order of the court.

FISCAL PROVISIONS

SEC. 342. (a) The clerk of each and every naturalization court shall charge, collect, and account for the following fees:

(1) For receiving and filing a declaration of intention, and issuing a duplicate and triplicate thereof, $2.50.

(2) For making, filing, and docketing a petition for naturalization, $5, including the final hearing on such petition, if such hearing be held, and a certificate of naturalization, if the issuance of such certificate is authorized by the naturalization court.

(b) The Commissioner shall charge, collect, and account for the following fees:

(1) For application for record of registry, $18.

(2) For the issuance of each certificate of arrival, $2.50.

(3) For application for a declaration of intention in lieu of a declaration alleged to have been lost, mutilated, or destroyed, $1.

(4) For application for a certificate of naturalization in lieu of a certificate alleged to have been lost, mutilated, or destroyed, $1.

(5) For application for a certificate of derivative citizenship, $5.

(6) For application for the issuance of a special certificate of citizenship to obtain recognition, $5.

(7) For application for a certificate of naturalization under section 323, $1.

(8) For application for a certificate of citizenship in changed name, $5.

(9) Reasonable fees, with the approval of the Secretary, in cases where such fees have not been established by law, to cover the cost of furnishing, to other than officials or agencies of the Federal Government, copies, whether certified or uncertified, of any part of the records, or information from the records, of the service. Such fees shall not exceed a maximum of 25 cents per folio, with a minimum fee of 50 cents for any one such service, in addition to a fee of $1 for any official certification furnished under seal.

(c) The clerk of any naturalization court specified in subsection (a) of section 301 (except the courts specified in subsection (d) of this section), shall account for and pay over to the Commissioner one-half of all fees up to the sum of $6,000, and all fees in excess of $6,000, collected by any such clerk in naturalization proceedings in any fiscal year.

(d) The clerk of any United States district court (except in Alaska) and the clerk of the District Court of the United States for the District of Columbia shall account for and pay over to the Commissioner all fees collected by any such clerks in naturalization proceedings.

(e) The accounting required by subsections (c) and (d) of this section shall be made and the fees paid over to the Commissioner by such respective clerks in their quarterly accounts which they are hereby required to render to the Commissioner within 30 days from the close of each quarter of each and every fiscal year, in accordance with regulations prescribed by the Commissioner.

(f) The clerks of the various naturalization courts shall pay all additional clerical force that may be required in performing the duties imposed by this act upon clerks of courts from fees retained under the provisions of this section by such clerks in naturalization proceedings.

(g) All fees collected by the Commissioner and all fees paid over to the Commissioner by clerks of naturalization courts under the provisions of this act, shall be deposited by the Commissioner in the Treasury of the United States.

(h) In all naturalization proceedings in which an alien applying for a certificate of naturalization or of citizenship is represented by counsel, there is hereby established a limit of $25 for counsel's fees, except where legal action before a court requires extended legal service when the court may approve a reasonable fee in excess of $25.

(i) During the time when the United States is at war no clerk of a United States court shall charge or collect a naturalization fee from an alien in the military or naval service of the United States for filing a petition for naturalization or issuing a certificate of naturalization upon admission to citizenship, and no clerk of any State court shall charge or collect any fee for such services unless the laws of the State require such charge to be made, in which case nothing more than the portion of the fee required to be paid to the State shall be charged or collected. A report of all transactions under this subsection shall be made to the Commissioner as in the case of other reports required of clerks of courts by this act.

(j) In addition to the other fees required by this act, the petitioner for naturalization shall, upon the filing of a petition for naturalization, deposit with and pay to the clerk of the naturalization court a sum of money sufficient to cover the expenses of subpenaing and paying the legal fees of any witnesses for whom such petitioner may request a subpena, and upon the final discharge of such witnesses, they shall receive, if they demand the same from the clerk, the customary and usual witness fees from the moneys which the petitioner shall have paid to such clerk for such purpose, and the residue, if any, shall be returned by the clerk to the petitioner.

Mail

SEC. 343. All mail matter of whatever class, relating to naturalization, including duplicate papers required by law or regulation to be sent to the Service by clerks of courts addressed to the Department of Labor or the Service, or any official thereof, and endorsed "Official Business," shall be transmitted free of postage and by registered mail if necessary, and so marked.

Textbooks

SEC. 344. Authorization is hereby granted for the publication and distribution of the citizenship textbook described in subsection (c) of section 327, and for the reimbursement of the printing and binding appropriation of the Department of Labor upon the records of the Treasury Department from the naturalization fees deposited in the Treasury through the Service for the cost of such publication and distribution, such reimbursement to be made upon statements by the Commissioner of books so published and distributed.

Compilation of naturalization statistics

SEC. 345. The Commissioner is authorized and directed to prepare from the records in the custody of the Service a report upon those heretofore seeking citizenship to show by nationalities their relation to the numbers of aliens annually arriving and to the prevailing census populations of the foreign born, their economic, vocational, and other classification, in statistical form, with analytical comment thereon, and to prepare such report annually hereafter. Payment for the equipment used in preparing such compilation shall be made from the appropriation, Salaries and Expenses, Immigration and Naturalization Service.

PENAL PROVISIONS

SEC. 346. (a) It is hereby made a felony for any alien or other person whether an applicant for naturalization or citizenship, or otherwise, and whether an employee of the Government of the United States or not—

(1) Knowingly to make a false statement under oath, either orally or in writing, in any case, proceeding, or matter relating to, or under, or by virtue of any law of the United States relating to naturalization or citizenship.

(2) Knowingly to procure or attempt to procure—

a. The naturalization of any such person, contrary to the provisions of any law; or

b. Documentary or other evidence of naturalization or of citizenship of any such person, contrary to the provisions of any law.

(3) To procure or attempt to procure any documentary or other evidence of naturalization or of citizenship of any person knowing or having reason to believe that such person is not entitled thereto.

(4) To encourage, advise, aid, or assist any person—

a. Not then entitled or qualified under this act to apply for a declaration of intention, to apply for such declaration of intention, with knowledge or having reason to believe that such person was not then so entitled or qualified; or

b. Not then entitled or qualified under this act to secure a declaration of intention, to obtain such declaration of intention, with knowledge that such person was not then so entitled or qualified; or

c. Not then entitled or qualified under this act to apply for naturalization or citizenship, to apply for such naturalization or citizenship, with knowledge that such person was not then so entitled or qualified; or

d. Not then entitled or qualified under this act to obtain naturalization or citizenship, to obtain such naturalization or citizenship, with knowledge that such person was not then so entitled or qualified; or

e. Not then entitled or qualified under this act to apply for documentary or other evidence of naturalization or of citizenship, to apply for such documentary or other evidence of naturalization or of citizenship, with knowledge that such person was not then so entitled or qualified; or

f. Not then entitled or qualified under this act to obtain documentary or other evidence of naturalization or of citizenship, to obtain such documentary or other evidence of naturalization or of citizenship, with knowledge that such person was not then so entitled or qualified.

(5) To encourage, aid, advise, or assist any person not entitled thereto to obtain, accept, or receive any certificate of arrival, declaration of intention, certificate of naturalization, or certificate of citizenship, or other documentary evidence of naturalization or of citizenship—

a. Knowing the same to have been procured by fraud; or

b. Knowing the same to have been procured by the use or means of any false name or false statement given or made with the intent to procure the issuance of such certificate of arrival, declaration of intention, certificate of naturalization, or certificate of citizenship, or other documentary evidence of naturalization or of citizenship; or

c. Knowing the same to have been fraudulently altered in any manner.

(6) Knowingly, in any naturalization or citizenship proceeding, whether as the applicant, declarant, petitioner, witness, or otherwise in such proceeding—

a. To personate another person;

b. To appear falsely in the name of a deceased person, or in an assumed or fictitious name.

(7) Knowingly, contrary to the provisions of this act—

a. To issue a certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship; or

b. To assist in or be a party to the issuance of a certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship.

(8) Knowingly to possess, without lawful authority or lawful excuse, and with intent unlawfully to use the same, any false, forged, antedated, or counterfeited certificate of arrival, declaration of intention, certificate or naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, purporting to have been issued under any law of the United States relating to naturalization or citizenship, knowing such certificate of arrival, declaration of intention, certificate of nauralization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship to be false, forged, antedated, or counterfeited.

(9) Falsely to make, forge, or counterfeit any oath, notice, affidavit, certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, or any order, record, signature, or other instrument, paper, or proceeding, required or authorized by any law relating to naturalization or citizenship.

(10) To cause or procure to be falsely made, forged, or counterfeited, any oath, notice, affidavit, certificate, certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, or any order, record, signature, or other instrument, paper, or proceeding, required or authorized by any law relating to naturalization or citizenship.

(11) To aid or assist in falsely making, forging, or counterfeiting, any oath, notice, affidavit, certificate, certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, or any order, record, signature, or other instrument, paper, or proceeding, required or authorized by any law relating to naturalization or citizenship.

(12) To utter, sell, dispose of, or use as true or genuine, for any unlawful purpose, any false, forged, antedated, or counterfeited oath, notice, affidavit, certificate, certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, or any order, record, signature, or other instrument, paper, or proceeding, required or authorized by any law relating to naturalization or citizenship.

(13) To sell, or dispose of unlawfully, a declaration of intention, certificate of naturalization, certificate of citizenship, or any other documentary evidence of naturalization or of citizenship.

(14) Knowingly to use in any manner for the purpose of registering as a voter, or as evidence of a right to vote, or otherwise unlawfully, any order, certificate, certificate of naturalization, certificate of citizenship, judgment, decree, or exemplification, showing any person to be naturalized or admitted to be a citizen, whether heretofore or hereafter issued or made, which has been unlawfully issued or made.

(15) Knowingly and unlawfully to use, or attempt to use, any order, certificate, certificate of naturalization, certificate of citizenship, judgment, decree, or exemplification, showing any person to be naturalized or admitted to be a citizen, whether heretofore or hereafter issued or made, which has been issued to or in the name of any other person or in a fictitious name, or in the name of a deceased person.

(16) To use or attempt to use any certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or other documentary evidence of naturalization or of citizenship heretofore or which may hereafter be issued or granted, knowing the same to be forged, counterfeited, or antedated, or to have been procured by fraud or by false evidence, or without appearance or hearing of the applicant in court where such appearance and hearing are required, or otherwise unlawfully obtained.

(17) To aid, assist, or participate in the use of any certificate of arrival, declaration of intention, certificate of naturalization, certificate of citizenship, or other documentary evidence of naturalization or of citizenship heretofore or which may hereafter be issued or granted, knowing the same to be forged, counterfeited, or antedated, or to have been procured by fraud or by false evidence, or without appearance or hearing of the applicant in court where such appearance and hearing are required, or otherwise unlawfully obtained.

(18) Knowingly to falsely represent himself to be a citizen of the United States without having been naturalized or admitted to citizenship, or without otherwise being a citizen of the United States.

(19) Knowingly, with the intent to avoid any duty or liability imposed or required by law, to deny that he has been naturalized or admitted to be a citizen, after having been so naturalized or admitted.

(20) To engrave, without lawful authority, any plate in the likeness of any plate designed for the printing of a declaration of intention, or certificate of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship.

(21) To cause or procure to be engraved, without lawful authority, any plate in the likeness of any plate designed for the printing of a declaration of intention, or certificate of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship.

(22) To assist in engraving, without lawful authority, any plate in the likeness of any plate designed for the printing of a declaration of intention, or certificate of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship.

(23) To sell any plate in the likeness of any plate designed for the printing of a declaration of intention, or certificate of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, except by direction of the Commission or other proper officer of the United States.

(24) To bring into the United States from any foreign place any plate in the likeness of any plate designed for the printing of a declaration of intention, certificate of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, except by direction of the Commissioner or other proper officer of the United States.

(25) To have in the control, custody, or possession of any such alien or other person, any metallic plate engraved after the similitude of any plate from which any declaration of intention, or certificate

of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, has been or is to be printed, with intent to use or to suffer such plate to be used in forging or counterfeiting any such declaration of intention, or certificate of naturalization, or certificate of citizenship, or other documentary evidence or any part thereof.

(26) To bring into the United States from any foreign place, except by direction of the Commissioner or other proper officer of the United States, any declaration of intention, or certificate of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship, printed from any metallic plate engraved after the similitude of any plate from which any declaration of intention, certificate of naturalization, or certificate of citizenship, or any other documentary evidence of naturalization or of citizenship has been or is to be printed.

(27) To have in his possession, without lawful authority, any blank certificate of arrival, blank declaration of intention, or blank certificate of naturalization or of citizenship, provided by the Service, with the intent unlawfully to use the same.

(28) To have in his possession a distinctive paper which has been adopted by the proper officer or agency of the United States for the printing or engraving of any declaration of intention, or certificate of naturalization or of citizenship, with intent unlawfully to use the same.

(29) To print, photograph, make, or execute, or in any manner cause to be printed, photographed, made, or executed, without lawful authority, any print or impression in the likeness of any certificate of arrival, declaration of intention, or certificate of naturalization or of citizenship, or any part thereof.

(30) Knowingly to procure or attempt to procure an alien or other person to violate any of the provisions of this act.

(31) Failing, after at least 60 days' notice, by the appropriate court or the Commissioner or a Deputy Commissioner, to surrender a certificate of naturalization or citizenship which has been canceled, in accordance with the provisions of this act, such person having such certificate in his possession or under his control.

(32) Knowingly to certify that an applicant, declarant, petitioner, affiant, witness, deponent, or other person named in an application, declaration, petition, affidavit, deposition, or certificate of naturalization, or certificate of citizenship, or other paper or writing required or authorized to be executed or used under the provisions of this act, personally appeared before the person making such certification and was sworn thereto or acknowledged the execution thereof, or signed the same, when in fact such applicant, declarant, petitioner, affiant, witness, deponent, or other person, did not personally appear before the person making such certification, or was not sworn thereto, or did not execute the same, or did not acknowledge the execution thereof.

(33) Knowingly to demand, charge, solicit, collect, or receive, or agree to charge, solicit, collect, or receive any other or additional fees or moneys in naturalization or citizenship or other proceedings under this act than the fees and moneys specified in such act.

(34) Willfully to neglect to render true accounts of moneys received by any clerk of a naturalization court or such clerk's assistant or any other person under this act or willfully to neglect to pay over any balance of such moneys due to the United States within 30 days after said payment shall become due and demand therefor has been made and refused, which neglect shall constitute embezzlement of the public moneys.

(b) The provisions of this section shall apply to copies and duplicates of certificates of arrival, of declarations of intention, of certificates of naturalization, of certificates of citizenship, and of other documents required or authorized by the naturalization laws and citizenship laws as well as to the originals of such certificates of arrival, declarations of intention, certificates of naturalization, certificates of citizenship, and other documents, whether issued by any court or by the Commissioner or a Deputy Commissioner.

(c) The provisions of this section shall apply to all proceedings had or taken or attempted to be had or taken, before any court specified in subsection (a) of section 301, or any court, in which proceedings for naturalization may have been or may be commenced or attempted to be commenced, and whether or not such court at the time such proceedings were had or taken was vested by law with jurisdiction in naturalization proceedings.

(d) Any person violating any provision of subsection (a) of this section shall be fined not more than $5,000, or imprisoned not more than 5 years, or both.

(e) Any person who has been subpenaed under the provisions of subsection (d) of section 309 to appear on the final hearing of a petition for naturalization, and who shall neglect or refuse to so appear and to testify, if in the power of such person to do so, shall be subject to the penalties prescribed by subsection (d) of this subsection.

(f) If any person shall use the endorsement "Official Business" authorized by section 343 to avoid payment of postage or registry fee on a private letter, package, or other matter in the mail, such person shall be guilty of a misdemeanor and subject to a fine of $300, to be prosecuted in any court of competent jurisdiction.

(g) No person shall be prosecuted, tried, or punished for any crime arising under the provisions of this act unless the indictment is found or the information is filed within 5 years next after the commission of such crime.

(h) For the purpose of the prosecution of all crimes and offenses against the naturalization or citizenship laws of the United States which may have been committed prior to the date when this act shall go into effect, the existing naturalization and citizenship laws shall remain in full force and effect.

(i) It shall be lawful and admissible as evidence in any proceedings founded under this act, or any of the penal or criminal provisions of the immigration, naturalization or citizenship laws, for any officer or employee of the United States to render testimony as to any statement voluntarily made to such officer or employee in the course of the performance of the official duties of such officer or employee by any defendant at the time of or subsequent to the alleged commission of any crime or offense referred to in this section which may tend to show that such defendant did not or could not have had knowledge of any matter concerning which such defendant is shown to have made affidavit, or oath, or to have been a witness pursuant to such law or laws.

(j) In case any clerk of court shall refuse or neglect to comply with any of the provisions of section 337 (a), (b), (c), or (d), such clerk of court shall forfeit and pay to the United States the sum of $25 in each and every case in which such violation or omission occurs, and the amount of such forfeiture may be recovered by the United States in an action of debt against such clerk.

(k) If any clerk of court shall fail to return to the Service or properly account for any certificate of naturalization furnished by the Service as provided in subsection (e) of section 337, such clerk of court shall be liable to the United States in the sum of $50, to be recovered in an action of debt, for each and every such certificate not properly accounted for or returned.

(l) The provisions of subsections (a), (b), (d), (g), (h), and (i) of this section shall apply in respect of the application for and the record of registry authorized by section 328, in the same manner and to the same extent, including penalties, as they apply in any naturalization or citizenship proceeding or any other proceeding under section 346.

SAVING CLAUSES

SEC. 347. (a) Nothing contained in either chapter III or in chapter V of this act, unless otherwise provided therein, shall be construed to affect the validity of any declaration of intention, petition for naturalization, certificate of naturalization or of citizenship, or other document or proceeding which shall be valid at the time this act shall take effect; or to affect any prosecution, suit, action, or proceedings, civil or criminal, brought, or any act, thing, or matter, civil or criminal, done or existing, at the time this act shall take effect; but as to all such prosecutions, suits, actions, proceedings, acts, things, or matters, the statutes or parts of statutes repealed by this act, are hereby continued in force and effect.

(b) Any petition for naturalization heretofore filed which may be pending at the time this act shall take effect shall be heard and determined within 2 years thereafter in accordance with the requirements of law in effect when such petition was filed.

CHAPTER IV—LOSS OF NATIONALITY

SEC. 401. A person who is a national of the United States, whether by birth or naturalization, shall lose his nationality by:

(a) Obtaining naturalization in a foreign state, either upon his own application or through the naturalization of a parent having legal custody of such person: *Provided, however,* That nationality shall not be lost as the result of the naturalization of a parent unless and until the child shall have attained the age of 23 years without acquiring permanent residence in the United States: *Provided further,* That a person who has acquired foreign nationality through the naturalization of his parent or parents, and who at the same time is a citizen of the United States, shall, if abroad and he has not heretofore expatriated himself as an American citizen by his own voluntary act, be permitted within 2 years from the effective date of this act to return to the United States and take up permanent residence therein, and it shall be thereafter deemed that he has elected to be an American citizen. Failure on the part of such person to so return and take up permanent residence in the United States during such period shall be deemed to be a determination on the part of such person to discontinue his status as an American citizen, and such person shall be forever estopped by such failure from thereafter claiming such American citizenship; or

(b) Taking an oath or making an affirmation or other formal declaration of allegiance to a foreign state; or

(c) Entering, or serving in, the armed forces of a foreign state unless expressly authorized by the laws of the United States; or

(d) Accepting, or performing the duties of, any office, post, or employment under the government of a foreign state or political subdivision thereof for which only nationals of such state are eligible; or

(e) Voting in a political election in a foreign state or participating in an election or plebiscite to determine the sovereignty over foreign territory; or

(f) Making a formal renunciation of nationality before a diplomatic or consular officer of the United States in a foreign state, in such form as may be prescribed by the Secretary of State; or

(g) Deserting the military or naval service of the United States in time of war, provided he is convicted thereof by a court martial.

SEC. 402. A national of the United States who was born in any incorporated Territory of the United States or who was born in any place outside of the jurisdiction of the United States of a parent who was born in any incorporated Territory of the United States, shall be presumed to have expatriated himself under subsection (c) or (d) of section 401, when he shall remain for 6 months or longer within any foreign state of which he or either of his parents shall have been a national according to the laws of such foreign state,

or within any place under control of such foreign state, and such presumption shall exist until overcome whether or not the individual has returned to the United States. Such presumption may be overcome on the presentation of satisfactory evidence to a diplomatic or consular officer of the United States, or to an immigration officer of the United States, under such rules and regulations as the Department of State and the Department of Labor jointly prescribe. However, no such presumption shall arise with respect to any officer or employee of the United States while serving abroad as such officer or employee, nor to any accompanying member of his family.

SEC. 403. (a) Except as provided in subsection (g) of section 401, no national can expatriate himself, or be expatriated, under this section while within the United States or any of its outlying possessions, but expatriation shall result from the performance within the United States or any of its outlying possessions of any of the acts or the fulfillment of any of the conditions specified in this section if and when the national thereafter takes up a residence abroad.

(b) No national under 18 years of age can expatriate himself under subsections (b) to (g), inclusive, of section 401.

SEC. 404. A person who has become a national by naturalization shall lose his nationality by:

(a) Residing for at least 2 years in the territory of a foreign state of which he was formerly a national or in which the place of his birth is situated, if he acquires through such residence the nationality of such foreign state by operation of the law thereof; or

(b) Residing continuously for 3 years in the territory of a foreign state of which he was formerly a national or in which the place of his birth is situated, except as provided in section 406 hereof.

(c) Residing continuously for 5 years in any other foreign state, except as provided in section 406 hereof.

SEC. 405. Section 404 shall have no application to a person:

(a) Who resides abroad in the employment and under the orders of the Government of the United States;

(b) Who is receiving compensation from the Government of the United States and residing abroad on account of disability incurred in its service.

SEC. 406. Subsections (b) and (c) of section 404 shall have no application to a person:

(a) Who shall have resided in the United States not less than 25 years subsequent to his naturalization and shall have attained the age of 65 years when the foreign residence is established;

(b) Who is residing abroad upon the date of the approval of this act, or who is thereafter sent abroad, and resides abroad temporarily, solely or principally to represent a bona fide American educational, scientific, philanthropic, religious, commercial, or financial organization, having its principal office or place of business in the United States, or an international agency of an official character in which the United States participates, for which he receives a substantial compensation;

(c) Who is residing abroad on account of ill health;

(d) Who is residing abroad for the purpose of pursuing studies of a specialized character or attending an institution of learning of a grade above that of a preparatory school, provided that such residence does not exceed 5 years;

(e) Who is the wife, husband, or child under 21 years of age, and is residing abroad for the purpose of being with a naturalized spouse or parent who comes within the scope of section 405 or subsections (a), (b), (c), or (d) hereof;

(f) Who was born in the United States or one of its outlying possessions, who originally had American nationality, and who, after having lost such nationality through marriage to an alien, reacquired it.

SEC. 407. A person having American nationality, who is a minor and is residing in a foreign state with or under the legal custody of a parent who loses American nationality under section 404 of this act, shall at the same time lose his American nationality if such minor has or acquires the nationality of such foreign state: *Provided*, That, in such case, American nationality shall not be lost as the result of loss of American nationality by the parent unless and until the child attains the age of 23 years without having acquired permanent residence in the United States.

SEC. 408. The loss of nationality under this act shall result solely from the performance by a national of the acts or fulfillment of the conditions specified in this act.

SEC. 409. Nationality shall not be lost under the provisions of section 404 or 407 of this act until the expiration of 1 year following the date of the approval of this act: *Provided, however*, That a naturalized person who shall have become subject to the presumption that he has ceased to be an American citizen as provided for in the second paragraph of section 2 of the act of March 2, 1907 (34 Stat. 1228), and who shall not have overcome it under the rules in effect immediately preceding the date of the approval of this act, shall continue to be subject to such presumption for the period of 1 year following the date of the approval of this act unless it is overcome during such period.

SEC. 410. Nothing in this act shall be applied in contravention of the provisions of any treaty or convention to which the United States is a party upon the date of the approval of this act.

CHAPTER V—MISCELLANEOUS

SEC. 501. Whenever a diplomatic or consular officer of the United States has reason to believe that a person while in a foreign state has lost his American nationality under any provision of chapter IV of this act, he shall certify the facts upon which such belief is based to the Department of State, in writing, under regulations to be prescribed by the Secretary of State. If the report of the diplomatic or consular officer is approved by the Secretary of State, a copy of the certificate shall be forwarded to the Department of Labor, for its information, and the diplomatic or consular office in which the report was made shall be directed to forward a copy of the certificate to the person to whom it relates.

SEC. 502. The Secretary of State is hereby authorized to issue, in his discretion and in accordance with rules and regulations prescribed by him, a certificate of nationality for any person not a naturalized citizen of the United States who presents satisfactory evidence that he is an American national and that such certificate is needed for use in judicial or administrative proceedings of a foreign state. Such certificate shall be solely for use in the case for which it was issued and shall be transmitted by the Secretary of State through appropriate official channels to the judicial or administrative officers of the foreign state in which it is to be used.

SEC. 503. The following acts or parts of acts are hereby repealed:

Section 1992, Revised Statutes (U. S. C., title 8, sec. 1);

Section 1993, Revised Statutes, as amended by section 1, act of May 24, 1934 (48 Stat. 797; U. S. C., title 8, sec. 6);

Section 2166, Revised Statutes, as limited by section 2, act of May 9, 1918 (40 Stat. 546–547; U. S. C., title 8, sec. 395);

Section 2172, Revised Statutes (U. S. C., title 8, sec. 7);

Section 100, act of April 30, 1900 (31 Stat. 161; U. S. C., title 8, sec. 385 (first paragraph));

Act of June 29, 1906, chapter 3592 (34 Stat. 596) (except subdivisions 6 and 8 of sec. 4 and secs. 10, 16, 17, 19, and 26, thereof), as added to, supplemented, or amended by section 1, act of June 25, 1910 (36 Stat. 829); section 1, and second paragraph of section 3, act of May 9, 1918 (40 Stat. 542–546, 547, 548); act of June 8, 1926 (44 Stat. 709); section 4, act of February 25, 1927 (44 Stat. 1235); act of March 2, 1929 (45 Stat. 1512) (except sec. 6 (e), and sec. 7 (b), thereof); section 1, act of March 4, 1929 (45 Stat. 1545); act of June 21, 1930 (46 Stat. 791); sections 1, 2, 3, and 4 (a), act of March 3, 1931 (46 Stat. 1511); act of May 25, 1932 (47 Stat. 165) (except secs. 1, 5, and 7, thereof); and act of April 19, 1934 (48 Stat. 597); United States Code, title 8, sections 18, 106, 106a, 106b, 106c, 351, 352, 353, 354, 356, 357, 358, 358a, 360, 364, 365, 372, 373, 377, 377c, 378, 379, 380, 380b, 381, 382, 384, 386, 387, 388, 389, 391, 392, 393, 394, 396, 397, 398, 399, 399a, 399b (a), 399b (b), 399b (c), 399b (d), 399c (a), 399c (b), 399c (c), 399d, 400, 401, 402, 403, 404, 405, 408, 409, 410, 411, 412, 413, 414, and 415;

Sections 2, 5, 6, and 7, act of March 2, 1907 (34 Stat. 1228 1229), as amended by section 2, act of May 24, 1934 (48 Stat. 797; U. S. C., title 8, secs. 8, 16, and 17);

Sections 74 to 81, inclusive, act of March 4, 1909 (35 Stat. 1102–1103; U. S. C., title 18, secs. 135 and 137 to 143, inclusive);

That portion of section 1, act of August 22, 1912 (37 Stat. 356; U. S. C., title 8, sec. 11), reading as follows:

"SEC. 1998. That every person who hereafter deserts the military or naval service of the United States, or who, being duly enrolled, departs the jurisdiction of the district in which he is enrolled, or goes beyond the limits of the United States, with intent to avoid any draft into the military or naval service, lawfully ordered, shall be liable to all the penalties and forefeitures of section 1996 of the Revised Statutes of the United States: *Provided*, That the provisions of this section and said section 1996 shall not apply to any person hereafter deserting the military or naval services of the United States in time of peace: * * *";

So much of section 1, act of October 6, 1917, chapter 79 (40 Stat. 376; U. S. C., title 39, sec. 324), as reads as follows: "*Provided further*, That all mail matter, of whatever class, relating to naturalization, including duplicate papers required by law or regulation to be sent to the Bureau of Naturalization by clerks of State or Federal courts, addressed to the Department of Labor, or the Bureau of Naturalization, or to any official thereof, and endorsed 'official business,' shall be transmitted free of postage, and by registered mail if necessary, and so marked: *Provided further*, That if any person shall make us of such endorsement to avoid payment of postage or registry fee on his or her private letter, package, or other matter in the mail, the person so offending shall be guilty of a misdemeanor and subject to a fine of $300, to be prosecuted in any court of competent jurisdiction.";

Section 1, last priviso of section 2, and second paragraph of section 3, act of May 9, 1918 (40 Stat. 542–546, 547, 548), as amended by section 6 (c), (d), act of March 2, 1929 (45 Stat. 1514); act of June 21, 1930 (46 Stat. 791); and sections 2 (a), 3, and 10, act of May 25, 1932 (47 Stat. 165–166; U. S. C., title 8, secs. 18, 354, 377, 378, 384, 387, 388, 389, 391, 392, 393, 394, 395, 403, and 405);

Proviso to second paragraph of section 4, chapter XII, act of July 9, 1918, chapter 143 (40 Stat. 885; U. S. C., title 8, sec. 366);

Second proviso to section 1, act of August 31, 1918, chapter 166 (40 Stat. 955);

Act of November 6, 1919, chapter 95 (41 Stat. 350; U. S. C., title 8, sec. 3);

Sections 1, 2, 3, and 4, act of September 22, 1922 (42 Stat. 1021–1022); as amended by sections 1 and 2, act of July 3, 1930 (46 Stat. 854); section 4, act of March 3, 1931 (46 Stat. 1511–1512); and section 4, act of May 24, 1934 (48 Stat. 797; U. S. C., title 8, secs. 367, 368, 368a, 369, and 369a);

Act of June 8, 1926 (44 Stat. 709; U. S. C., title 8, sec. 399a);

Section 4, act of February 25, 1927 (44 Stat. 1235; U. S. C., title 8, sec. 358a);

Act of March 2, 1929, chapter 536 (45 Stat. 1512–1516) (except sec. 6 (e), and sec. 7 (b)); as amended or added to by sections 4,

5, and 6, act of May 25, 1932 (47 Stat. 165–166); and sections 1, 2, 3, 4, and 6, act of April 19, 1934 (48 Stat. 597–598; U. S. C., title 8, secs. 106a, 106b, 106c, 356, 377b, 377c, 379, 380a, 380b, 382, 388, 399b (a), 399b (b), 399b (c), 399b (d), 399c (a), 399c (b), 399c (c), 399d, 399e, and 402);

Section 1, act of March 4, 1929 (45 Stat. 1545; U. S. C., title 8, sec. 373);

Act of June 21, 1930 (46 Stat. 791; U. S. C., title 8, sec. 18);

Section 2, act of July 3, 1930 (46 Stat. 854; U. S. C., title 8, sec. 369);

Act of February 11, 1931 (46 Stat. 1087; U. S. C., title 8, sec. 366a);

Act of March 3, 1931 (46 Stat. 1511–1512) (except section 4 (b), thereof) (U. S. C., title 8, secs. 9, 372a, 396, and 397);

Sections 2, 3, 4, 6, 8, 9, and 10, act of May 25, 1932 (47 Stat. 165–166); as amended by section 2, act of April 19, 1934 (48 Stat. 597; U. S. C., title 8, secs. 356 (a), 377, 377b, 384, 388, 399b (b), and 399h (c));

Act of April 19, 1934 (48 Stat. 597–598; U. S. C., title 8, secs. 106a (b), 380a, 399b (a), 399b (b), 399b (c), 399c (a), 399f, and 402);

Sections 1, 2, 3, and 4, Act of May 24, 1934 (48 Stat. 797; U. S. C., title 8, secs. 6, 8, 17a, and 368); and

Second proviso to act of June 27, 1934 (48 Stat. 1245, ch. 845; U. S. C., title 48, sec. 733b);

Act of June 24, 1935, chapter 288 (49 Stat. 395);

Act of June 24, 1935, chapter 290 (49 Stat. 397);

Act of June 25, 1936, chapter 811 (49 Stat. 1925–1926);

Act of June 25, 1936, chapter 801 (49 Stat. 1917);

Section 3, act of July 30, 1937 (50 Stat. 548);

Act of August 4, 1937, chapter 563 (50 Stat. 558);

Act of May 16, 1938, chapter 225 (52 Stat. 377);

Joint resolution of June 29, 1938 (52 Stat. 1247);

Act of June 20, 1939, chapter 224 (53 Stat. 843–844);

Act of August 9, 1939, chapter 610 (53 Stat. 1273);

And any other acts or parts of acts in conflict with the provisions of this act, except for the purposes of section 346 of this act.

The repeal herein provided shall not terminate nationality heretofore lawfully acquired, nor restore nationality heretofore lost under any law of the United States or any treaty to which the United States may have been a party.

SEC. 504. If any provision of this act shall for any reason be declared by any court of competent jurisdiction to be invalid, such declaration shall not invalidate the remainder of this act.

TITLE II

SEC. 601. This act shall take effect from and after 90 days from the date of its approval.

Mr. DICKSTEIN (interrupting reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with and that the bill be printed in the RECORD.

Mr. JENKINS of Ohio. Mr. Chairman, reserving the right to object, does the gentleman mean that any amendments may be offered?

Mr. DICKSTEIN. Mr. Chairman, I want to avoid reading 100 pages of this bill for amendment.

Mr. JENKINS of Ohio. Mr. Chairman, do I understand that the gentleman means any amendment may be offered any place?

Mr. DICKSTEIN. Yes; any amendment that is germane to the bill.

Mr. MICHENER. The gentleman's request is that the further reading of the bill be dispensed with and that it be in order to offer germane amendments to any part of the bill?

Mr. DICKSTEIN. That is my intention.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

Mr. DICKSTEIN. Mr. Chairman, the committee has authorized the gentleman from Kansas [Mr. REES] to offer four amendments.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Committee amendment offered by Mr. REES of Kansas: Page 3, line 8, strike out subdivision (e) and insert: "The Attorney General means the Attorney General of the United States."

Page 3, lines 11 and 12, strike out the words "Department of Labor" and insert the words "Department of Justice."

Page 14, line 25, and page 15, line 1; page 15, lines 9 and 23; page 17, lines 5 and 6; page 18, line 25; page 22, line 13; page 39, line 12, strike out the words "Secretary of Labor" and insert the words "Attorney General."

Page 19, line 11; page 36, line 25; page 37, lines 3 and 4; page 40, line 11; page 41, line 2; and page 66, lines 15 and 16, strike out the word "Secretary" and insert the words "Attorney General."

Page 58, lines 8 and 9, strike out the words "or the Commissioner, or a Deputy Commissioner."

Page 69, line 11, and lines 19 and 20; page 87, line 14; page 91, lines 19 and 20; and page 94, line 23, strike out the words "Department of Labor" and insert the words "Department of Justice."

The committee amendment was agreed to.

Mr. REES of Kansas. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. REES of Kansas: On page 34, line 19, strike out the word "three" and insert in lieu thereof the word "five."

The committee amendment was agreed to.

Mr. REES of Kansas. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. REES of Kansas: On page 42, line 23, strike out the word "ten" and insert in lieu thereof the word "seven."

The committee amendment was agreed to.

Mr. REES of Kansas. Mr. Chairman, I have one more amendment.

The Clerk read as follows:

Committee amendment offered by Mr. REES of Kansas: On page 86, line 24, strike out the words "any incorporated territory of;", and on page 87, lines 1 and 2, strike out the words "any incorporated territory of."

The committee amendment was agreed to.

Mr. KING. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the Delegate from Hawaii?

There was no objection

Mr. KING. Mr. Chairman, the amendments just adopted to section 402 of H. R. 9980, a bill to revise and codify the nationality laws of the United States into a comprehensive nationality code, correct a feature of this section that would have stigmatized the American citizens of the two incorporated Territories of the United States—that is, Alaska and Hawaii—as alone incurring the presumption of expatriation provided by the section. As first introduced, such presumption was limited to a national "born in any incorporated Territory of the United States" or of "a parent who was born in any incorporated Territory of the United States."

I called this provision to the attention of the chairman of the committee in the following letter:

JUNE 14, 1940.

Hon. SAMUEL DICKSTEIN,
Chairman, Committee on Immigration and Naturalization, House of Representatives.

DEAR MR. CHAIRMAN: I have been studying the bill which you introduced, H. R. 9980, "to revise and codify the nationality laws of the United States into a comprehensive nationality code," and desire to congratulate you on the excellence of this greatly needed legislation. Both the bill and the accompanying report show the result of much study and hard work.

However, I do want to suggest an amendment to section 402, which prescribes that "a national of the United States who was born in any incorporated Territory of the United States or who was born in any place outside of the jurisdiction of the United States of a parent who was born in any incorporated Territory of the United States shall be presumed to have expatriated himself under subsection (c) or (d) of section 401, when he shall remain for 6 months or longer within any foreign state of which he or either of his parents shall have been a national according to the laws of such foreign state, or within any place under control of such foreign state, and such presumption shall exist until overcome, whether or not the individual has returned to the United States."

Whatever may be the reasons for this section, it singles out the two incorporated Territories of the United States for special treatment different from that accorded the several States, and it places upon the American citizens of those two Territories a presumption of guilt under subsection (c) and (d) of section 401, which is not applied to the citizens of the several States. I am not an attorney and cannot speak with any authority on the legal aspects of this provision. However, I am under the impression that it is not constitutional.

If there is some abuse which this section attempts to remedy, the actual language of the section would punish the innocent with the guilty. There may be many nationals of the United States born in Alaska and Hawaii who in all good faith might prolong their visits to the country of their parents' origin beyond 6 months and find themselves expatriated without having violated the provisions of section 401 in any particular. It is also true that there may

be any number of nationals of the United States born in any one of the several States who may visit the country of their parents' origin for periods of 6 months or more and who could with equal justice be presumed to have offended the provisions of section 401.

In other words, there is no justification for singling out the nationals of incorporated territories in this instance. If the objective of this section is considered necessary or desirable, certainly it is just as important to extend this feature of the law to American nationals wherever born. No valid reason exists for adopting a different procedure for United States nationals born in Hawaii than that prescribed for those born in California, for instance.

May I, therefore, suggest and request that the Committee on Immigration and Naturalization accept the following as a committee amendment:

Line 24, page 86, after the word "in", strike out the words "any incorporated territory of."

Also, in lines 1 and 2, page 87, after the word "in", strike out "any incorporated territory of."

I know you will realize that as a Delegate in Congress from Hawaii it is incumbent upon me to protect the interests of the American citizens of my Territory whose loyalty to the United States cannot be questioned. Legislation such as is proposed in section 402 is no more necessary for Hawaii than any other part of the United States.

With highest personal regards, I am,

Sincerely,

SAMUEL W. KING.

As this matter was also one of considerable importance to the Territory of Alaska I called the attention of the Delegate from Alaska [Mr. DIMOND] to the language of the bill as originally introduced. He in turn addressed the chairman of the Committee and the Deputy Commissioner of the Bureau of Immigration and Naturalization, as follows:

JUNE 8, 1940.

Hon. SAMUEL DICKSTEIN,
Chairman, Committee on Immigration and Naturalization, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: The bill (H. R. 9980) to revise and codify the nationality laws of the United States into a comprehensive nationality code, contains provision in section 402 for a presumption of expatriation of a national to the United States who is born in any incorporated Territory of the United States or who is born in any place outside of the jurisdiction of the United States of a parent who was born in any incorporated Territory of the United States, if such person shall remain for 6 months or longer within any foreign state of which he or either of his parents shall have been a national.

This provision is clearly a discrimination against those who reside in the Territories as compared with those who reside in any of the 48 States. If the rule is a good one, I am unable to understand why it should not apply to the United States and all places subject to its jurisdiction rather than incorporated Territories alone. In Alaska a considerable number of our citizens were born abroad, most of them in the Scandinavian countries. If section 402 should become law, any one of these citizens who happen to remain abroad more than 6 months would be faced with the presumption of loss of citizenship, whereas under similar circumstances a citizen born abroad but residing in one of the States would not be affected.

I respectfully suggest that the entire section 402 should be stricken out, or else should be amended so that its provisions will apply to the United States and all Territories subject to its jurisdiction, and not only to the incorporated Territories.

Sincerely yours,

ANTHONY J. DIMOND,
Delegate.

JUNE 8, 1940.

EDWARD J. SHAUGHNESSY, Esq.,
Deputy Commissioner, Bureau of Immigration and Naturalization, Department of Labor, Washington, D. C.

DEAR MR. SHAUGHNESSY: Attached hereto is copy of self-explanatory letter of even date addressed by me to Hon. Samuel Dickstein, chairman of the House Committee on Immigration and Naturalization, with respect to section 402 of H. R. 9980, a bill to revise and codify the nationality laws of the United States.

So far as I am aware, there are only two incorporated Territories, one being Alaska and the other Hawaii. I am sure that there is no condition of affairs existing in Alaska which would justify the application to that Territory of the provisions of section 402 when all of the 48 States are excepted from its provisions.

The proposed legislation embraced in this section is, in my judgment, highly discriminatory and, therefore, objectionable to the citizens of the Territory. Putting aside for the moment the question of the constitutionality of section 402, I suggest that on grounds of public policy no such legislation should be enacted.

Sincerely yours,

ANTHONY J. DIMOND, *Delegate.*

The chairman of the committee referred the Delegate from Alaska [Mr. DIMOND] and myself to the gentleman from Kansas [Mr. REES], chairman of the subcommittee who drafted this measure. The gentleman from Kansas accorded us every opportunity to present our arguments in opposition to this singling out of the Territories for different treatment. Conferences were called between the representatives of the departments interested, and the amendments that would strike out the objectionable language were accepted. The gentleman from Kansas obtained committee approval of the proposed amendments, which have now been accepted by the House. I know I voice the sentiments of the Delegate from Alaska when I join with other members in expressing appreciation of the thoroughness which the gentleman from Kansas has shown in handling this difficult and complicated legislation. I wish further to express my personal thanks for his consideration of the special problems of the Territories.

The CHAIRMAN. Are there further committee amendments?

Mr. DICKSTEIN. No, Mr. Chairman.

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last word.

I do this, Mr. Chairman, for the purpose of asking some questions of the chairman of the committee and the gentleman from Kansas [Mr. REES], the real author of the bill. When I questioned the distinguished gentleman from Kansas heretofore today, he indicated that the objections that were made by the American coalition had been practically met. As I understand, the amendments offered by the committee do not meet any of the objections offered by the coalition. The amendments offered are only those more or less clerical changes like the substitution of the words "Department of Justice" for "Department of Labor," because the Bureau of Naturalization has been transferred from the Department of Labor to the Department of Justice.

Mr. REES of Kansas. I will answer the gentleman's question, and we can go right down through the objections.

Mr. JENKINS of Ohio. I should like to ask first with reference to section 101 (a).

Mr. REES of Kansas. That has to do with the question of nationals. I discussed that a few minutes ago. The term "nationals" has been used for years and years in the State Department, and it has been used in our treaties. It would be almost impossible to go along without that term. President Coolidge, together with the distinguished Chief Justice of the United States Supreme Court, Mr. Hughes, while Secretary of State, signed a treaty with Bulgaria wherein the term "nationals" is used several times and is defined as "a person owing allegiance to the United States." The term "nationals" has been used in a number of other treaties. It is necessary to use the term. So far as those who made the objection to which the gentlemen refers are concerned, I know they would be satisfied with this term because it has always been used, and it is necessary to write it into the law.

Mr. JENKINS of Ohio. I quite agree with the gentleman. If section 101 (a) should be stricken, then naturally section 101 (b) should also be stricken.

Mr. REES of Kansas. It certainly would not do any good to strike the word "nationals" out of the bill. It would not change the law any.

Mr. JENKINS of Ohio. I agree with the gentleman, because I believe that if it is stricken out something else must be put in its place.

Mr. REES of Kansas. That would have to be done.

Mr. JENKINS of Ohio. Let me proceed further. Did the gentleman go into the objection that this gentleman raises with reference to the fact that section 101 (a) and section 101 (b) applies to residents of Puerto Rico or the Virgin Islands or Hawaii or any other territory or possession that may become a State at some time or another?

Mr. REES of Kansas. Yes. We are in no wise making a State out of Puerto Rico. The term "State" is used only insofar as the question of naturalization is concerned. That is all there is to this. It is used only insofar as the naturalization laws are concerned. The citizens of Puerto Rico are citizens of the United States with the exception of a certain few there. Under a law that was passed about the time we

took over Puerto Rico it was provided that if the people of Puerto Rico so wished they could retain their allegiance to the Spanish Government. It just seems to us that if Puerto Rico is a part of the United States then the people born in Puerto Rico ought to be citizens of the United States. This bill places them in the position of becoming citizens of the United States.

Mr. JENKINS of Ohio. As I understand, a legal, bona fide resident of Puerto Rico is a citizen of the United States.

Mr. REES of Kansas. That is the present law.

Mr. JENKINS of Ohio. And a legal, bona fide resident of the Virgin Islands is a citizen of the United States.

Mr. REES of Kansas. The gentleman from Ohio is correct.

Mr. JENKINS of Ohio. This is the proposition this gentleman advances. Let me read this sentence:

These are unincorporated territories of the United States, and in a broad sense these two sections would confer statehood upon these unincorporated territories.

Mr. REES of Kansas. No; if it conferred statehood I would certainly object to it. I call the attention of the gentleman to the fact that it can be easily explained because they are not citizens of unincorporated States.

Mr. JENKINS of Ohio. I appreciate that what we do in this bill could not confer statehood, but it could complicate the thing if we do something here that would give citizens of that territory full recognition, the same as we would citizens of the State of New York.

Mr. REES of Kansas. I agree with the gentleman that we do not want to confer statehood on Puerto Rico, and we do not do it in this bill. Let me call the attention of the gentleman to the fact that right now our courts down there naturalize citizens, and they have been doing it all the time.

Mr. JENKINS of Ohio. I have apprised the gentleman of these objections, and I am going to yield to his superior information and knowledge about the subject.

Let me proceed to the next objection, if I may.

Regarding section 201 (a) and (b) no change is suggested with the exception of the deletion in the first line of the words "nationals and."

That would revert back to our other objection.

Mr. REES of Kansas. That is correct.

Mr. JENKINS of Ohio. Let us proceed:

Section 201 (c), (d), (e), (f), (g), and (h) should be stricken from the code. The Revised Statutes, section 1993, as amended, should be reenacted as amended. The proposed new section would complicate a situation and extend citizenship too liberally.

What has the gentleman to say about that? I am referring to the second paragraph from the bottom on the first page, which starts "section 201," and so forth.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from New York.

Mr. DICKSTEIN. Is the gentleman reading from the bill or is he reading from a letter of the coalition?

Mr. JENKINS of Ohio. I am reading from a letter from the American coalition. The gentleman from Kansas and I both understand what we are covering. We have come up to this gradually.

Mr. DICKSTEIN. Does not the gentleman believe other Members should understand to what the gentleman is referring? Would the gentleman be good enough to tell me where it is?

Mr. REES of Kansas. I will do that. It will take but a moment.

In section 201 there is a provision that Indians, Eskimos, and Aleuts may become citizens of the United States. There are only a few of them. Under the present law there is a question whether or not Indians are citizens. We clear that up, that is all there is to this. The Eskimos are in the same category. There is a little group of folks who live in the Aleutian Islands near Alaska, and we take care of them. This is clarifying the matter for once and for all so we will not have any argument about it one way or the other.

Mr. JENKINS of Ohio. Then the gentleman's justification for that is that if we do not clear it up there will be a loophole and there will be some people not provided for and their citizenship will be indefinite.

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS of Ohio. Now, let us see what is set out in section 303.

Mr. REES of Kansas. Does the gentleman want to knock anything out of section 303? I just do not believe that he does.

Mr. JENKINS of Ohio. That has to do with African nativity?

Mr. REES of Kansas. That is right.

Mr. JENKINS of Ohio. And at the present time the gentleman holds they are pretty well taken care of and there is no complaint about that.

Mr. REES of Kansas. I think so; yes. I do not think either the gentleman from Ohio or myself wants to change the present law as it affects the naturalization of colored persons. If someone wants to offer such an amendment, we will be glad to discuss it.

Mr. JENKINS of Ohio. That would be my understanding of that also.

Let us go down to section 307 and see what the gentleman has to say with reference to that:

This subsection should be stricken from the code, as it is indefensible and grossly illogical for a foreigner to claim residence in the United States because he may have happened to have served on a coal barge owned by the United States at some time, when he was, in fact, in the country in violation of the law.

Mr. REES of Kansas. The author of the letter probably has given a rather broad interpretation to this section. Under the present law, if an individual does serve on a ship that belongs to the Government of the United States, the time that he serves on that ship is included in the time that he may have lived in the United States. The present law says that if he serves on a ship that has its home port in the United States, then that time is included; but the old law gave, I believe, about 3 years' time. This code provides that if he does serve he must serve there at least 5 years, and it must be a ship whose home port is in the United States and also must be an American ship. We have strengthened the present law to this extent.

Mr. MASON. It really tightens it up.

Mr. REES of Kansas. In this respect, the ship is regarded as United States soil.

Mr. JENKINS of Ohio. Let us see if this would be a fair statement of the fact. This being simply a bill to regulate naturalization, the individual referred to here would have to prove lawful entry in order to become a citizen of the United States.

Mr. REES of Kansas. He would have to come into this country lawfully.

Mr. JENKINS of Ohio. And simply having served on a coal barge in and out of the country would not be lawful entry.

Mr. REES of Kansas. No; he would have to come in lawfully and show that he had served on this particular ship. I do not know whether it could be a coal barge, but I presume a coal barge might come within that category, although I am not sure.

Mr. JENKINS of Ohio. As I see it, then, if you have prepared this bill with all due care, and I know you have, you can take the position that if you have omitted anything those omissions can be cured in the Senate.

Mr. REES of Kansas. That is correct.

Mr. JENKINS of Ohio. You have not invaded the rights of those who control the matter of legal entry into this country.

Mr. REES of Kansas. No.

Mr. JENKINS of Ohio. That is a province of another department, and in order to have the right to be naturalized at all, a man must always be able to prove lawful entry.

Mr. REES of Kansas. That is correct.

Mr. JENKINS of Ohio. That is one objection many people may have to some features of this bill. If they thought it would permit a man to come in unlawfully, and in spite of his unlawful entry to hide behind this new provision of the law, it would be a very unfortunate situation.

Mr. REES of Kansas. Yes, that is right, but this measure does not have anything to do with the question of immigration at all.

Mr. JENKINS of Ohio. There are many corrections and criticisms made here, but I am not going to be tedious and press them all. I have done this simply that I might bring to the attention of the gentleman and the committee the importance of the measure and to indicate that experts can find many loopholes, and today one of the biggest immigration experts in the United States told me that this bill was full of loopholes. I said, "If you will stop long enough to show me what they are and how to correct them, I will be glad to try to do it." There is one thing about it, however, we can take refuge in the fact that this is not the only day we are going to live, we hope, and it is not the only day Congress is going to be in session, and if this bill is not perfect, we can perfect it as we have been compelled to do in connection with every other gigantic step we have taken in connection with new legislation of this kind.

Mr. REES of Kansas. If the gentleman will permit one further statement, there is a paragraph in that letter calling attention to the question of fingerprinting. That was taken care of by the law passed by this Congress on August 27, 1940.

Mr. JENKINS of Ohio. That is, the Smith bill?

Mr. REES of Kansas. Yes.

Mr. JENKINS of Ohio. I hope we are doing what is best and that time will prove it. If not, we must change it.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. RAYBURN, having resumed the chair, Mr. WILLIAMS of Missouri, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 9980, pursuant to House resolution 544, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER pro tempore. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The committee amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

On motion by Mr. DICKSTEIN a motion to reconsider the vote by which the bill was passed was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks on this bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks by including the message from the President, the submission of the report to the President by the Attorney General, the Secretary of Labor, and the Secretary of State.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include sundry letters and telegrams. I will say this exceeds the limit, but I have an estimate from the Public Printer.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KING. Mr. Speaker, under previous unanimous consent to revise and extend my remarks on the discussion of the bill H. R. 9980, I ask permission to include some correspondence with various departments of the Government.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the disposition of the business on the Speaker's table and the business of the day, I may be permitted to address the House for one-half hour.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. MICHENER. Mr. Speaker, would the Chair indicate what the program is for tomorrow?

The SPEAKER pro tempore. There are two rules from the Committee on Rules. One of them makes in order a bill from the Committee on the Judiciary, H. R. 7236, known as the tort-disputes bill. There is another report from the Committee on Rules on the bill S. 1610, an act to prevent discrimination against the graduates of certain schools.

Mr. MICHENER. That is from the Committee on the Civil Service?

The SPEAKER pro tempore. That is from the Committee on the Civil Service.

Then the Chair agreed to recognize the gentleman from Virginia [Mr. BLAND] for a unanimous-consent request on a bill which he says has a unanimous report from his committee.

Unless these rules, or one of them, is called up there will be no program for tomorrow except unanimous-consent requests.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Arkansas [Mr. ELLIS] is recognized for 15 minutes.

NATIONAL-DEFENSE EXPANSION—REPLY TO CONGRESSMAN JOHN M'DOWELL'S VERSE AND HUMOR, HIS RHAPSODY AGAINST THE MIDDLE WEST, AND HIS CASTIGATION OF THE OZARK HILLBILLIES

Mr. ELLIS. Mr. Speaker, I rise in defense of the Middle West, of its 62 Members of the House, and of the so-called Ozark hillbillies, all of whom our esteemed colleague from Pennsylvania, the Honorable JOHN MCDOWELL, of Pittsburgh, so thoroughly castigated during my absence last Wednesday while on a defense mission in the West.

Referring to an address which I made in the House on August 26, and which appears in the Appendix of the RECORD, at page 5241 the gentleman stated, on September 4, page 11517 of the RECORD:

> The whole gist of Mr. ELLIS' contention appears to be that Pittsburgh is a rich and busy city, turning out the metals and the hardware and the millions of other objects that are used by people all over the world; and we Pittsburghers confess to the truth of that; but Mr. ELLIS also appears to want to tear down our factories, throw out of work our workingmen, close up our mines and our mills, and remove them to the wild hills of the Ozarks where the business and the prosperity will redound to the everlasting glory of the Ozark hillbillies.

Not until I checked my gifted friend's autobiography in Who's Who in America and found that he lists himself as a "contributor of verse and humor," could I comprehend his eloquent and satirical allusions.

In my statement of August 26 I said not a disparaging word of Pittsburgh, nor of Pennsylvania, nor of any man. To keep the record straight, the situation was briefly this: Nearly a billion dollars of our defense appropriations had been allocated for defense contracts and for the establishment of new defense industries. Most of them had gone to New England. Practically nothing had gone to the Middle West. Not a penny had gone to my State of Arkansas. All this in spite of statements by the President, the National Defense Commission, and the War Department that, in the interest of national defense, many of the proposed new defense factories should be located in those invulnerable areas far distant from the borders. Our people were getting restless. Business and civic leaders of Arkansas, Iowa, Kansas, Minnesota, Missouri, Nebraska, Oklahoma, and North and South Dakota had called a meeting at Kansas City for August 30 in an effort to convince the Government of the logic of its own original thought. The 62 Members of the House from those 9 States had organized for the same purpose and elected as our chairman an able young member of the gentleman's own party. On August 23, Manager Charles E. Robinson, of the Pittsburgh Commission for Industrial Expansion, had written the Honorable William S. Knudsen, of the National Defense Commission, charging that "political pressure is being used to obtain Government plants for 9 Midwestern States unsuited to industry."

In my statement I said, and now repeat:

> Shame on you, Mr. Robinson. * * * Already Pennsylvania has received, out of the vast billions we have appropriated, $182,835,551. Pittsburgh alone has received $12,806,480. Arkansas has received exactly nothing. We love you, Pittsburgh; marvel at your indeterminable industries. We are proud that we of these nine States constitute one-sixth of your domestic market.

The able editor from Pittsburgh, or Wilkinsburg, found cause in my statement to say, with fear and trembling:

> My home has been assailed, my people have been accused, my State has been defamed. * * * I thoroughly agree with Manager Robinson. * * * What manner of reasoning is it that would break up the highly geared mechanical circumstance of the greatest industrial city in the world? * * *

I would humbly suggest that, had the gentleman from Pennsylvania [Mr. McDOWELL] read my statement less recklessly, he would not have become so exacerbated. I challenge him or any other reasonable man to point out any statement or implication wherein I "assailed his home," "accused his people," "defamed his State," or manifested any desire to "break up the greatest industrial city in the world." Nor did I even criticize the Government for allocating $12,000,000 of defense funds to Pittsburgh. I have the confidence in my Government to believe the expenditure was wise, and I am happy for you, but I am disappointed to learn that the gentleman from Pennsylvania [Mr. McDOWELL] "thoroughly agrees with Mr. Robinson" in his ominous fulmination designed to extirpate the inestimable value of the Middle West to the defense of this Nation.

The gentleman's personal reference to me as having been affected by war hysteria and his reference to Arkansas as a State best suited for boiling delirium tremens out of alcoholics is beneath the dignity of a Member of this House, but perhaps is justified as another of his "contributions to verse and humor."

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. ELLIS. I yield.

Mr. NORRELL. Do you know how he managed to learn that that treatment was given down in Arkansas?

Mr. ELLIS. A lot of people learn by personal experience, but, of course, I am sure he did not learn that way.

Incidentally, the gentleman in his address referred to the conscription bill as "this infamous draft bill" and 3 days later voted against it. His party leader, "Windy" Willkie, finally decided he was for it. Is that war hysteria?

We want nothing from Pittsburgh. There is enough for all. Is not defense as sacred for us as it is for you? You have not heard of us writing the Defense Commission objecting to anybody getting anything. Out West we believe in the philosophy of "live and let live." Furthermore, and I refer to Mr. Robinson, we believe in keeping our noses out of other people's business.

Who is Mr. Robinson anyway? Why, he is the manager of the Pittsburgh Commission for Industrial Expansion. Is he the paid lobbyist of Pittsburgh? Apparently his duties consist also in looking after the industrial contraction of the rest of the Nation.

Mr. EBERHARTER. Will the gentleman yield?

Mr. ELLIS. I yield.

Mr. EBERHARTER. Has the gentleman any foundation for claiming that Mr. Robinson is a paid lobbyist? How does the gentleman know he is paid at all?

Mr. ELLIS. It is my information that he is the manager of the industrial commission of Pittsburgh. Whether he is paid money for it I do not know, but he speaks for Pittsburgh.

Mr. EBERHARTER. The gentleman made the statement that Mr. Robinson was a paid lobbyist from Pittsburgh. Pittsburgh is my home town. From all I understand Mr. Robinson is an industrialist there. He is in business, and he is cooperating with other industrialists there to gear up the Pittsburgh industrial enterprises.

Mr. ELLIS. Then, if I am wrong about his being paid, I stand corrected, but that is not the point. The point is—and I know the gentleman from Pennsylvania, whom I admire greatly, feels this way, too—that he should not be writing the Defense Commission asking them not to give new industries to the Middle West.

Mr. EBERHARTER. I am sure the gentleman from Arkansas will agree that contracts under the defense program of the Government should be allotted to that section of the country which can produce most economically and rapidly. He will also agree that Pittsburgh is the industrial heart of America and is better suited to give immediate response to this urgent demand for national preparedness. Is that not correct?

Mr. ELLIS. I agree with the gentleman. I am talking about new plants for the Middle West. We do not object to Pittsburgh's getting any or all the contracts she can get, but we do object to the gentleman's objecting to our getting anything.

Mr. EBERHARTER. If the gentleman will——

Mr. ELLIS. I am sorry, I cannot yield further, Mr. Speaker; my time is limited.

The trouble with the gentleman from Pennsylvania [Mr. McDOWELL] and Mr. Robinson is that, in the words of Mr. Richard W. Robbins, secretary of the Midwest Defense Conference—

> It is pork if it is for the Middle West, but sugar if it is for Pittsburgh.

Except for those two great barriers, high freight rates and a shortage of cheap, developed power—both of which we are endeavoring to eliminate—we would have already been in this critical hour assisting Pittsburgh and the industrial East materially in their struggle to supply the existing shortage in war materials.

In his address the distinguished gentleman from Pennsylvania made this bold prophecy:

> I shall even venture to make the prediction that the Government of the United States will agree with Manager Robinson.

In his next breath he said:

> The trend of the present administration to break up established and substantial and historic concentrations of industry and labor and skill has been growing more pronounced since 1932.

A bit inconsistent, is not the gentleman from Pennsylvania [Mr. McDOWELL]? In the second breath I know you were wrong, and I believe you were in the first. As proof of the one I refer you to the daily reports of the ever-increasing profits of the great corporations of the country. As proof of the other I quote the Honorable Ralph Budd, member of the Defense Commission, in his address to the Midwest Defense Conference at Kansas City on August 30, which, by the way, was attended by more than 800 delegates from these 9 States:

> Because industry has found it necessary competitively and economically to locate in the East, it does not follow that defense indus-

tries should be so located. There are many reasons why the opposite should be true.

I also quote in full a letter which I have received from the able Secretary of War, also a member of the gentleman's own party:

WAR DEPARTMENT,
Washington, August 23, 1940.

Hon. CLYDE T. ELLIS,
House of Representatives.

DEAR MR. ELLIS: Receipt is acknowledged of your letter of August 20 calling attention to your statment on the floor of the House regarding the location of new production plants for the manufacture of munitions.

An important principle which we have been endeavoring to follow in the location of new munitions plants is that as far as practicable they shall be placed in interior locations, so as to minimize the risk of bombing attack. Another principle is that we should avoid, if possible, erecting munitions plants in areas already congested with manufacturing establishments essential to the national defense.

In locating the first plants under our program of construction the urgency of the requirements has placed these plants where the earliest possible production would be obtained. As the program proceeds, however, and the high priority plants have been located, the War Department will be able to adhere more closely to the above principles. The part of the program so far initiated is only a small portion of the total and it is therefore expected that interior areas will receive more and more consideration as the program develops.

You may be assured that the State of Arkansas and others in the Mississippi Valley will receive full consideration in locating new munitions plants under the defense program.

Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

These able men recognize, and President Roosevelt recognizes, and every one of my 61 colleagues from these 9 States, Democrats and Republicans, recognize that the great, impregnable Middle West, hundreds of miles from any border line, rich in practically all the minerals of the land, rich in coal, oil, gas, and potential water power, home of the country's purest Anglo-Saxon blood, bread basket of the Nation, is our most unconquerable area, and hence the area that, if recognized, offers the greatest guaranty against a repetition of the battle of France.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. ELLIS. I yield.

Mr. CARLSON. I compliment the gentleman on his fight for some industrial defense expenditures for the Middle West. I assure the gentleman and the House that we of the Middle West are not asking for any special favors. All we want is recognition and consideration in this great national-defense program, and if we get some of the crumbs we shall be well satisfied.

Mr. ELLIS. I thank the gentleman.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. ELLIS. I yield.

Mr. JOHNSON of Oklahoma. I join in complimenting the gentleman on his very able presentation. May I not observe, however, that although the Secretary of War states in that splendid letter that he proposes to put these defense activities in the Middle West where they will not be vulnerable in time of emergency, yet it seems they go right on ignoring the Middle West.

Mr. ELLIS. I thank the gentleman, but we hope that is only temporary.

"Hillbillies?" Yes, to the gentleman from Pennsylvania [Mr. McDOWELL], but true and unselfish Americans. We have spilled our blood on the battlefields of every war in which the liberties and ideals that we cherish and the democracy that we love were imperiled. For half a century we have suffered the discrimination which I strive to end and the ridicule which you stoop to perpetuate.

"Contributor of verse and humor!" "Assailed," "accused," "defamed"; castigator of "Ozark hillbillies"; authority on "delirium tremens."—the gentleman's rhapsody on the Middle West. [Applause.]

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER pro tempore. Does the gentleman from New York [Mr. DICKSTEIN] seek recognition?

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the time allotted to me on Tuesday of next week be reallotted to me on Wednesday.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. H. CARL ANDERSEN asked and was given permission to revise and extend his own remarks.

Mr. HINSHAW. Mr. Speaker, on Monday last I was given unanimous consent to insert two articles in the RECORD. It happens they are longer than the rule allows. I have obtained an estimate from the printer, and now ask unanimous consent that they may be inserted in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include articles from the report of David Hirshfield, relating to books by Zaville Muzzey, Ph. D., Barnard College, Columbia University, and Everett Barnes, A. M.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Also, Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include articles from the report of David Hirshfield relating to books by Willis Mason West, sometime professor of history and head of the department in the University of Minnesota; and also resolutions of patriotic organizations, such as the Daughters of the American Revolution and the Veterans of Foreign Wars.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KEEFE (at the request of Mr. MURRAY), indefinitely, on account of death in family.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 2009. An act to amend the act to regulate commerce, approved February 4, 1887, as amended, so as to provide for unified regulation of carriers by railroad, motor vehicle, and water, and for other purposes.

S. 4008. An act to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals which in the opinion of the Corporation would be of value to the United States in time of war, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral developmental purposes.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 26 minutes p. m.) the House adjourned until tomorrow, Thursday, September 12, 1940, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1937. A letter from the Chairman, Securities and Exchange Commission, transmitting section I of chapter VI of part 3 of the Commission's over-all report on the study of investment trusts and investment companies made pursuant to section 30 of the Public Utility Holding Company Act of 1935 (H. Doc. No. 279); to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

1938. A letter from the Secretary of War, transmitting a request for the amendment of H. R. 10321; to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 10494. A bill to exchange certain lands within the boundaries of the Mount Rushmore National Memorial for certain lands in the Harney National Forest, State of South Dakota; to the Committee on the Public Lands.

By Mr. ANDREWS:

H. R. 10495. A bill to amend section 61 of the National Defense Act of June 3, 1916, by adding a proviso which will permit States to organize military units not a part of the National Guard, and for other purposes; to the Committee on Military Affairs.

By Mr. HARRINGTON:

H. R. 10496. A bill to provide for necessary facilities for the District of Columbia National Guard Air Corps Squadron; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND:

H. Res. 598. Resolution for the consideration of H. R. 9581; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. McLAUGHLIN:

H. R. 10497. A bill to make George D. Kahn eligible for naturalization; to the Committee on Immigration and Naturalization.

By Mr. O'TOOLE:

H. R. 10498. A bill for the relief of Alfred Rosenfeld, his wife, Emilie Christiane (Emily), and their sons, Hans Heinrich (Henry) and Ferdinand Andreas (Andrew); to the Committee on Immigration and Naturalization.

By Mr. PETERSON of Florida:

H. R. 10499. A bill for the relief of William E. Trapnell; to the Committee on Claims.

By Mr. REED of New York:

H. R. 10500. A bill granting an increase of pension to Zaida M. Secor; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

9292. By Mr. GREGORY: Petition of W. Fred Duff, chairman of Jackson Harris Post, No. 1191, Veterans of Foreign Wars, Paducah, Ky., recommending the delivery to England of the 50 destroyers; to the Committee on Military Affairs.

9293. By the SPEAKER: Petition of the International Lions Club of Dawson, Tex., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

SENATE

THURSDAY, SEPTEMBER 12, 1940

(Legislative day of Monday, August 5, 1940)

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

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, before whom all things created are even as the dust. Thou art hidden behind the curtain of sense; Thou art mysterious in Thine almighty power, and incomprehensible in Thy greatness; yet we are privileged to call Thee Father. Thou dost keep within Thy grasp the threads of each day's life, and, because it is Thy spirit that stirs within our spirit's inmost room, we know all will be well.

Make this a day of spiritual joy and peace as we commit our lives into Thine own keeping. Do Thou control our thoughts and feelings, direct our energies, instruct our minds, sustain our wills, and make our hands skillful to serve Thee, our feet swift to walk Thy ways. Help us to keep our eyes fixed upon Thine everlasting beauty, and do Thou touch our lips with live coals from off Thine altar, making them eloquent in testimony to Thy love. And since it is Thou, O Blessed One, who dost appoint our lot, we beseech Thee to make this day's work to have a share in the upbuilding of the kingdom of our Lord and Saviour, Jesus Christ, in whose name and for whose sake our fervent prayers are said. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Wednesday, September 11, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

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

CALL OF THE ROLL

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

Adams	Davis	La Follette	Russell
Andrews	Downey	Lee	Schwartz
Ashurst	Ellender	Lucas	Schwellenbach
Austin	George	McCarran	Sheppard
Bailey	Gerry	McKellar	Smathers
Barkley	Gibson	Maloney	Stewart
Bilbo	Gillette	Mead	Taft
Bridges	Green	Miller	Thomas, Idaho
Brown	Guffey	Minton	Thomas, Okla.
Bulow	Gurney	Murray	Thomas, Utah
Burke	Hale	Neely	Townsend
Byrd	Harrison	Norris	Truman
Byrnes	Hatch	Nye	Tydings
Capper	Hayden	O'Mahoney	Vandenberg
Caraway	Herring	Overton	Van Nuys
Chandler	Hill	Pepper	Wagner
Clark, Idaho	Hughes	Pittman	Walsh
Clark, Mo.	Johnson, Calif.	Radcliffe	Wheeler
Connally	Johnson, Colo.	Reed	White
Danaher	King	Reynolds	Wiley

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from West Virginia [Mr. HOLT] are absent because of illness.

The Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Illinois [Mr. SLATTERY], and the Senator from South Carolina [Mr. SMITH] are necessarily absent.

Mr. AUSTIN. The Senator from Oregon [Mr. HOLMAN] is absent on public business.

The Senator from Oregon [Mr. MCNARY], the Senator from North Dakota [Mr. FRAZIER], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Minnesota [Mr. SHIPSTEAD] are unavoidably absent.

The PRESIDENT pro tempore. Eighty Senators have answered to their names. A quorum is present.

CORPORATION INCOME AND EXCESS-PROFITS TAXATION—REPORT OF COMMITTEE ON FINANCE DURING RECESS

Under authority of the order of the 11th instant,

Mr. HARRISON (during recess of the Senate), from the Committee on Finance, to which was referred the bill (H. R. 10413) to provide revenue, and for other purposes, reported it with amendments and submitted a report (No. 2114) thereon.

PETITIONS AND MEMORIALS

Mr. VANDENBERG presented a petition of sundry citizens of Benton Harbor, Mich., praying that the United States may keep out of war, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of the State of Michigan, praying that the United States may keep out of foreign war, and also for the adoption of adequate na-