

Also, a bill (H. R. 12920) granting a pension to Harry E. Thompson; to the Committee on Pensions.

By Mr. PARK of Georgia: A bill (H. R. 12921) for the relief of the Georgia, Florida & Alabama Railway Co.; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 12922) granting an increase of pension to Martha Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12923) granting a pension to Frances E. Griffin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12924) granting a pension to Agnes Smith; to the Committee on Pensions.

Also, a bill (H. R. 12925) granting an increase of pension to Thomas Hall; to the Committee on Pensions.

Also, a bill (H. R. 12926) granting an increase of pension to James G. Shockley; to the Committee on Pensions.

Also, a bill (H. R. 12927) granting an increase of pension to John T. Hyder; to the Committee on Pensions.

Also, a bill (H. R. 12928) granting an increase of pension to John E. Crum; to the Committee on Pensions.

By Mr. RODENBERG: A bill (H. R. 12929) for the relief of Harry Evans Nowland; to the Committee on Claims.

Also, a bill (H. R. 12930) for the relief of Chesley P. Key; to the Committee on Claims.

By Mr. SCHALL: A bill (H. R. 12931) granting a pension to Cora F. Marlette; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 12932) granting a pension to Theresa Gerughty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12933) granting a pension to Nancy J. Cady; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12934) granting a pension to Julia A. Kelsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12935) granting an increase of pension to Natalia Allen; to the Committee on Invalid Pensions.

By Mr. SCHALL: A bill (H. R. 12936) granting an increase of pension to James P. Aney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12937) granting a pension to Isabel Newton; to the Committee on Pensions.

Also, a bill (H. R. 12938) granting a pension to Simon H. Drum; to the Committee on Pensions.

By Mr. SHREVE: A bill (H. R. 12939) granting a pension to Mary A. Hird; to the Committee on Pensions.

Also, a bill (H. R. 12940) granting a pension to Sophia Hubbard; to the Committee on Pensions.

Also, a bill (H. R. 12941) granting a pension to John H. Boyd; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 12942) granting an increase of pension to Ellen E. Johnson; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 12943) for the relief of James L. Dalton; to the Committee on Claims.

Also, a bill (H. R. 12944) for the relief of James H. Lomasney; to the Committee on Claims.

Also, a bill (H. R. 12945) for the relief of John J. Corcoran; to the Committee on Claims.

Also, a bill (H. R. 12946) granting a pension to William Smallwood; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 12947) granting a pension to Charles H. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12948) granting an increase of pension to Richard C. Kimbrough; to the Committee on Pensions.

By Mr. WATSON: A bill (H. R. 12949) granting a pension to Clara H. Farnsworth; to the Committee on Invalid Pensions.

By Mr. WHITE of Maine: A bill (H. R. 12950) granting an increase of pension to Charles Arthur Bordeau; to the Committee on Pensions.

Also, a bill (H. R. 12951) granting an increase of pension to Patrick A. Galvin; to the Committee on Pensions.

PETITIONS, ETC.

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

6428. By Mr. CONNOLLY of Pennsylvania: Evidence in support of House bill 12898, granting a pension to Sarah C. Ubil; to the Committee on Pensions.

6429. By Mr. CRISP: Petition of sundry citizens of the State of Georgia, urging the repeal of discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6430. By Mr. KELLEY of Michigan: Resolution of First Baptist Church of Mount Morris, Mich., indorsing proposed constitutional amendment to prohibit sectarian appropriations; to the Committee on the Judiciary.

6431. By Mr. KISSEL: Petition of the American Legion national legislative committee, Washington, D. C., favoring ad-

justed compensation for ex-service men; to the Committee on Ways and Means.

6432. By Mr. RAKER: Petition of Miss Minnie Provis, of Sutter Creek, Calif., urging support of the Bursum pension bill; to the Committee on Invalid Pensions.

6433. Also, petition of Roy M. Marks, of Placerville, Calif., relative to the transportation question; to the Committee on Interstate and Foreign Commerce.

6434. Also, petition of the General Federation of Women's Clubs committee on Indian welfare, Riverside, Calif., relative to Senate bill 3855; to the Committee on the Public Lands.

6435. Also, petition of the Cannery League of California, San Francisco, Calif., urging Federal action toward the protection of the lower Mississippi Valley; to the Committee on Rivers and Harbors.

6436. Also, petition of Oakland Chamber of Commerce, Oakland, Calif., urging an appropriation for improving San Francisco Bay; to the Committee on Appropriations.

6437. Also, petition of Bakersfield Civic Commercial Association, Bakersfield, Calif., indorsing the Britten-Ladd metric standards bill; to the Committee on Coinage, Weights, and Measures.

6438. Also, petition of the American Legion national legislative committee, Washington, D. C., urging support of the American Legion plan for adjusted compensation; to the Committee on Ways and Means.

6439. Also, petitions of Robert L. Hanley, commander of Victory Post, American Legion, Los Angeles, Calif., urging support of Senator KING's resolution to investigate the Veterans' Bureau; Bakersfield Civic Commercial Association, Bakersfield, Calif., indorsing the Capper-French truth in fabric bill; to the Committee on Interstate and Foreign Commerce.

6440. Also, petitions of the Garden Club of America, California zone, and the Friday Morning Club of Los Angeles, Calif., against the passage of the "all year national park bill"; also petition of East San Diego Chamber of Commerce, East San Diego, Calif., urging support of the development of the lower Colorado Basin; also petition of Selma Chamber of Commerce, Selma, Calif., urging support of the Barbour bill, creating the Roosevelt-Sequoia National Park; to the Committee on the Public Lands.

6441. By Mr. MURPHY: Memorial of Martins Ferry Woman's Club, Martins Ferry, Ohio, favoring freedom for Christian people of eastern Europe; to the Committee on Foreign Affairs.

6442. Also, petition of Presbyterian, United Presbyterian, Methodist Episcopal, Reformed Church of Christ, and Lutheran Churches, in Carrollton, Ohio, favoring the passage of House bill 9753, the Sunday law; to the Committee on the District of Columbia.

6443. Also, memorial of members of the Methodist Episcopal Church, Amsterdam, Ohio, favoring independence for the Christian people of the Near East; to the Committee on Foreign Affairs.

6444. Also, petition of Presbyterian and Methodist Episcopal churches at Malvern, Ohio, favoring the passage of House bill 9753, the Sunday law; to the Committee on the District of Columbia.

6445. By Mr. SHREVE: Petition of Gridley Chapter, No. 324, Order of the Eastern Star, Erie, Pa., favoring passage of the Towner-Sterling bill (H. R. 7; S. 1252); to the Committee on Education.

6446. By Mr. STRONG of Pennsylvania: Petition of the First Baptist Church of Kittanning, Pa., indorsing House Joint Resolution 159, proposing a constitutional amendment to prohibit sectarian appropriations; to the Committee on the Judiciary.

6447. Also, petition of East Brady (Pa.) Chapter, No. 311, Order of the Eastern Star, favoring the enactment of the Towner-Sterling bill (H. R. 7; S. 1252); to the Committee on Education.

SENATE.

THURSDAY, November 23, 1922.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we thank Thee for the land in which we live, for all its history toward right and truth. We bless Thee for the heritage thus given unto us and ask that righteousness may exalt the Nation, and along the track of the future Thy good pleasure may be realized and the desires of the people be such as shall meet with Thine acceptance. We ask for Christ's sake. Amen.

The VICE PRESIDENT resumed the chair.

WESLEY L. JONES, a Senator from the State of Washington; HENRY L. MYERS, a Senator from the State of Montana; and

OSCAR W. UNDERWOOD, a Senator from the State of Alabama, appeared in their seats to-day.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Second Assistant Secretary of Labor, transmitting, pursuant to law, a list of papers and documents on the files of the Department of Labor which are not needed in the conduct of business and having no permanent value or historic interest, and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The Vice President appointed Mr. BORAH and Mr. McKELLAR members of the committee on the part of the Senate, and ordered that the Secretary notify the House of Representatives thereof.

HARLEM RIVER SHIP CANAL.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, in response to Senate resolution 347, agreed to September 9, 1922, information relative to the proposed modification in the channel of the Harlem River Ship Canal, which, with the accompanying papers, was referred to the Committee on Commerce and ordered to be printed.

PETITIONS.

The VICE PRESIDENT laid before the Senate the petition of Mrs. Lela A. Frye and sundry other members of Northern Star Sisterhood, No. 107, Dames of Malta, of Charleroi and Monessen, Pa., praying for the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted at the Thirteenth Annual Convention, American Manufacturers' Export Association, at New York City, indorsing the constructive policy of President Harding on the subject of the American merchant marine, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted at the Fifty-second Annual Congress of the American Prison Association, at Detroit, Mich., favoring the passage of House bill 12123, for the establishment of an industrial reformatory at Camp Grant, Ill., which was referred to the Committee on the Judiciary.

He also laid before the Senate a communication from the vice chairman of the national legislative committee, the American Legion, transmitting resolutions adopted at the Fourth National Convention of the American Legion, at New Orleans, La., favoring the passage of legislation providing adjusted compensation for ex-service men, which was referred to the Committee on Finance.

Mr. LADD presented the petitions of Henry Kutonen, of New Leipzig, and 9 others; Mrs. A. O. Heimsness, of Wildrose, and 9 others; W. A. Bartosh, of Kensal, and 6 others; C. J. Bliss, of Geneseo, and 3 others; Joseph Hillman, of Glen Ullin, and 9 others; Ivan Kjustad, of Watford City, and 27 others; M. McWethy, of Sutton, and 24 others; Andrew Halberson, of Williston, and 4 others; P. N. Stedje, of Bucyrus, and 8 others; Charles Brandt, of La Moure, and 2 others; Mrs. H. G. Soderling, of Bierman, and 40 others; William Oeffner, of Leeds, and 8 others; E. C. Keuger, of Linton, and 19 others; Edmond Florentin, of Rolette, and 27 others; C. J. Miller, of Glen Ullin, and 9 others; Ehtobold Kirchenmann, of Burnstad, and 8 others; Ole C. Melland, of Lima, and 46 others; John Quam, of Pekin, and 9 others; A. A. Hagen, of Alamo, and 22 others; and H. G. Haga, of Bergen, and 7 others, all in the State of North Dakota, praying for the enactment of legislation stabilizing the price of wheat, which were referred to the Committee on Agriculture and Forestry.

Mr. EDGE. I ask unanimous consent to have inserted in the RECORD a telegram from the Real Estate Board of New Jersey favoring the passage of the ship subsidy bill. I also ask that it be referred to the Committee on Commerce.

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

[Western Union telegram.]

JERSEY CITY, N. J., November 22, 1922.

Senator WALTER E. EDGE,
United States Senate, Washington, D. C.:

By the officers and board of governors of the Real Estate League of New Jersey, at their regular monthly session, held at the Elks' Club,

in Paterson, N. J., November 22, 1922, it was resolved and unanimously carried that the ship subsidy bill be passed and become a law, believing it to be in the best interests of our Nation.

RAYMOND CONNOLLY, President.

ENROLLED BILL PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on November 22, 1922, there was presented to the President of the the United States the enrolled bill (S. 3300) granting a pension to Marie Doughty Gorgas.

BILLS AND JOINT RESOLUTION INTRODUCED.

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

By Mr. BRANDEGEE:

A bill (S. 4054) for the relief of the Home for the Friendless, of Chicago, Ill.; the Silas Bronson Library, of Waterbury, Conn.; the Gettysburg College (formerly Pennsylvania College), of Gettysburg, Pa.; the Presbyterian Church of Bardstown, Ky.; and the Taylor Orphan Asylum, of Racine, Wis. (with accompanying papers); to the Committee on Claims.

By Mr. McCUMBER:

A bill (S. 4055) to provide for the purchase of additional land for Wahpeton Indian School; to the Committee on Appropriations.

A bill (S. 4056) for the relief of the estates of Aaron Van Camp and Virginius P. Chapin;

A bill (S. 4057) for the relief of W. J. Benfield (with accompanying papers); and

A bill (S. 4058) for the relief of Albert Andrews (with accompanying papers); to the Committee on Claims.

By Mr. CUMMINS:

A bill (S. 4059) granting a pension to Oscar Criswell (with accompanying papers); to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 4060) for the relief of Susan T. Smoke; to the Committee on Claims.

By Mr. WALSH of Montana:

A bill (S. 4061) authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the settlement of the extent of the priority to the waters of Two Medicine, Cut Bank, and Badger Creeks, of the Indians of the Blackfeet Indian Reservation; to the Committee on Indian Affairs.

By Mr. BALL:

A bill (S. 4062) providing for the comprehensive development of the park and playground system of the National Capital; to the Committee on the District of Columbia.

By Mr. GAPPER:

A bill (S. 4063) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. BALL:

A joint resolution (S. J. Res. 247) providing funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes; to the Committee on the District of Columbia.

COMPENSATION AND MILEAGE OF SENATOR FELTON, OF GEORGIA.

Mr. WALSH of Montana. Mr. President, there was introduced on yesterday by the senior Senator from Georgia [Mr. HARRIS] a Senate resolution reading as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the contingent fund of the Senate to Rebecca Latimer Felton \$287.07 for compensation, and \$280 as mileage, the same being amounts due her as a Senator from the State of Georgia from November 8 to November 21, 1922.

The resolution was appropriately referred to the Committee to Audit and Control the Contingent Expenses of the Senate. I hope, however, that the resolution will not be adopted by the Senate. I trust that we shall not throw further confusion into the matter by now exhibiting some doubt as to whether Mrs. Felton was really a Member of the Senate from November 8 to November 21. If she were a Member—and the Senate so decided by admitting her and swearing her in—she is to be paid out of the regular appropriation, just the same as is every other Senator to be paid his salary. This is not a matter which should be charged against the contingent fund of the Senate at all. If the appropriations do not cover the item, it

will be very proper for the Committee on Appropriations to bring in a deficiency item in the deficiency bill to take care of it. The payment should be made as the payment of the salaries of all Senators is made, not out of the contingent fund of the Senate, but out of the regular fund.

It occurs to me that the manner proposed in the resolution is not the proper way to take care of this particular item. I feel like saying that it would throw a very grave doubt upon the action taken by the Senate in seating Mrs. Felton as a Senator.

Mr. HARRIS. Mr. President, I desire to say that I introduced the resolution at the suggestion of the financial clerk of the Senate. Of course if he will pay the amount due Mrs. Felton without the passage of a resolution by the Senate authorizing it to be done, I shall be delighted, and I trust that this may be done and thus avoid the necessity of pressing the resolution.

LIBERIAN LOAN.

The VICE PRESIDENT. Morning business is closed.

Mr. CURTIS. I ask unanimous consent that the unfinished business be laid before the Senate and proceeded with.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 270) authorizing the Secretary of the Treasury to establish a credit with the United States for the Government of Liberia.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Ball	Fletcher	McKellar	Shortridge
Bayard	France	McKinley	Simmons
Borah	George	McNary	Smith
Brandegee	Glass	Myers	Smooth
Broussard	Hale	Nelson	Spencer
Calder	Harrell	Nicholson	Stanfield
Cameron	Harris	Norris	Sterling
Capper	Heflin	Overman	Sutherland
Caraway	Hitchcock	Owen	Swanson
Colt	Jones, Wash.	Page	Trammell
Culberson	Kellogg	Pittman	Tunderwood
Cummings	Keyes	Pomerene	Wadsworth
Curtis	Ladd	Ransdell	Walsh, Mont.
Dial	La Follette	Rawson	Warren
Edge	Lodge	Reed, Pa.	Weller
Ernst	McCumber	Sheppard	Willis

The VICE PRESIDENT. Sixty-four Senators have answered to their names. A quorum is present. The Secretary will state the pending question.

The ASSISTANT SECRETARY. The pending question is on the amendment proposed by the Senator from Mississippi [Mr. HARRISON].

Mr. CURTIS. Mr. President, when we adjourned last night it was with the understanding that the Senator from Mississippi would prepare a substitute for the amendment which he had previously proposed. The Senator has not yet arrived this morning, and I do not feel that we should go on with his amendment until he is present to offer the substitute for it which he desires to present.

Mr. HARRISON entered the Chamber.

Mr. CURTIS. The Senator from Mississippi is now here.

Mr. HARRISON. Mr. President, I withdraw the amendment which I have heretofore proposed to the pending joint resolution, and move the amendment which I send to the Secretary's desk.

The VICE PRESIDENT. The amendment proposed by the Senator from Mississippi will be stated.

The ASSISTANT SECRETARY. At the end of the joint resolution it is proposed to insert:

To carry out the provisions of the act of February 17, 1911, "to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," as amended, as follows:

"For salaries of 35 additional inspectors whose employment is hereby authorized for nine months, at the rate of \$3,000 per annum each, \$78,750; for per diem in lieu of subsistence for said inspectors for nine months, \$37,800; for transportation for said inspectors for nine months, \$37,800; for allowances to said inspectors for nine months, \$15,750; in all, fiscal year 1923, \$170,100."

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Mississippi.

Mr. DIAL. Mr. President, I trust the amendment proposed by the Senator from Mississippi will not be adopted. We have already encumbered commerce with enough expense. I am opposed to increasing the number of officers beyond the necessary number for the transaction of any kind of business. Besides that, it does seem to me that the railroads should certainly have sufficient discretion to see that their rolling stock is maintained in proper condition. We need, rather, to decrease the cost of transportation instead of increasing the burdens and taxes of

the people of the country. If we are ever going to stop piling up taxes, now is a good time to begin.

I think our Republican friends should take warning by what has just transpired, and that they should carry out some of the pledges of economy which they made to the people of the country. I am tired of business being tied down and impeded by so much governmental regulation. It seems to me that the railroads of the country, having operated for so many years, can certainly continue to do so without the additional burden which would be imposed upon them by the adoption of the amendment and the interference with their engines and other instrumentalities for the carrying of freight and passengers.

What we most need now is a reduction in freight rates and in passenger rates and not something which is going to increase our burdens and expenses by tying the hands of railroad officials. Indeed, transportation charges have become so high that one can hardly afford to ride on a railroad, and our products are rotting in the field at this time because of the high transportation costs. The cost of living is constantly increasing. It seems to me that we have reached a time when Congress should cease the creation of new positions. No doubt such places are created at the Government's expense for favorites who can not or will not make a living at private work. I refuse to take suggestions from the Interstate Commerce Commission or any other Washington body to create useless positions. I would much prefer the judgment of the engineer, who knows and operates his engine, than that of some theorist. We need common sense in business. This is another step tending toward Government ownership, which I am totally against.

Mr. CUMMINS. Mr. President, I am not the author of the pending amendment, but the amendment is an extract from a bill which I introduced some time ago, and I am very much in favor of its adoption.

I understand perfectly that the cost of government increases every year; that is inevitable. The history of this particular legislation may be very briefly stated. A few years ago Congress passed a law authorizing the inspection of locomotive boilers by a number of Federal inspectors. That was done in order to preserve the lives of those who travel upon railroad trains and also to preserve the property which was being transported. The outcome of that initial legislation was very gratifying. It was soon discovered that the railroad companies had not efficiently inspected and resolutely put aside the facilities that were unfit for use, and there were a great many lives saved and a great deal of property preserved by the original law.

The railroad companies were very much opposed—

Mr. DIAL. Mr. President—

Mr. CUMMINS. I will yield to the Senator in a moment. The railroad companies were very much opposed to the original enactment, but when, two years or two years and a half later, we came to expand the operation of the law so that it would embrace the supervision and inspection of the entire engine the railroad companies very frankly admitted that the service rendered had been invaluable and did not oppose the extension of the service to include the entire engine. I now yield to the Senator from South Carolina.

Mr. DIAL. Mr. President, I should like to ask the Senator how he can demonstrate that a great many lives were saved and a great deal of property preserved by reason of the enactment of the law to which he has referred?

Mr. CUMMINS. Does the Senator doubt that?

Mr. DIAL. Yes; I seriously doubt it. I do not see how it can be proved.

Mr. CUMMINS. I can only refer the Senator to the testimony of those who had to do with the operation of engines and to the comparison between the periods before and after the law was passed in order to establish the fact. I do not think that any railway employee or any railway manager will question the statement which I have just made.

The bill from which the amendment is taken was brought forward at the suggestion of the locomotive engineers and firemen, who are most directly involved in any accident which may occur to the boiler or to other parts of the engine.

Mr. MCKELLAR. Mr. President—

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

Mr. MCKELLAR. Mr. President, I notice that for the salaries of inspectors there is provided an appropriation of \$78,750, and then, in addition, a per diem, for which an appropriation of \$37,800 is made; for transportation, \$37,800, and for allowances, \$15,750, a total of \$91,350 for allowances of various kinds, as against \$78,750 for salaries. I should like to ask the Senator would it not be entirely proper, inasmuch as the inspectors are inspecting property of the railroads, to require the railroads to give them their transportation? I should also like to have the Senator state, as I believe the amendment is taken from a bill

introduced by him, what reason there is for the other allowances.

Mr. CUMMINS. Mr. President, answering the first question, I am opposed to compelling the railroad companies to furnish transportation to any Government employee. There ought to be a complete separation between the railroad companies and these governmental inspectors. If we require the railroad companies to furnish transportation, we in a measure link up the employee of the Government with the corporation, and, in my judgment, diminish to a degree the efficiency and the fidelity of the Government inspectors. That is the reason why there is a provision for transportation.

Mr. McKELLAR. I can see considerable force in that suggestion. I should now like to ask the Senator with regard to the allowances.

Mr. CUMMINS. We have now 50 inspectors. The country is divided into 50 inspection districts, and there is one inspector for each district. Under the present law each inspector is allowed \$600 per year for his assistant or his stenographer or his helper, whoever he or she may be, and allowance includes, as I remember, the rent of the office in which the inspector is housed. Under the present scale of cost of buildings and rents and living, that allowance, in my opinion, is very inadequate, and it is proposed to be enlarged in order to meet the changed conditions of the present time as compared with the conditions when the law was originally passed.

I do not think there is anyone connected with the administration of the railroad law who does not recommend this legislation, who does not understand its necessity if we are to have efficient and constant inspection of locomotive engines, and I think it is due to the men who ride on the engines and drive them and the men who assist the engineers in the operation of the engines that they shall be protected just as far as the Government can protect them against imperfect and out-of-order engines.

I did not dream that this question would arise at this time, but if I had time to accumulate the evidence which has been taken before the committee of which I am chairman, in respect to the work which these inspectors have done, the number of engines which they have ordered out of service because they were imperfect, and, presumably, the number of accidents which have been averted, I believe the Senate would have no doubt whatsoever about the wisdom of this appropriation and this authority. If we are going to have an efficient constant transportation machine that will do its business with the fewest accidents and the least destruction of property, the amount of money that is here proposed to be appropriated can not be expended in a better way than to authorize these new inspectors and to increase the allowances for their expenses.

FRANCE AND GERMANY.

Mr. HITCHCOCK. Mr. President, we seem to be discussing a number of subjects that are foreign to the pending joint resolution, and I may be excused, therefore, for bringing in something which is also more or less foreign to it.

During the last few days America has been honored by a visit from a very distinguished French statesman, Clemenceau, the former prime minister of France, in this country for the avowed purpose of setting before the American people certain criticisms of the policy of the United States, and in his opening speech he has expressed a willingness to exchange criticisms. It seems to me that this may be a good method to follow.

The great Frenchman who visits this country enjoys a wide popularity. My purpose in rising is not so much to criticize him but to state some of the widespread American criticisms of the present policy of his country.

If France were sending to this country a representative to plead with the American people for cooperation at this time, I think it would have been possible to select a man more appropriate for that service. While Clemenceau has not been known as an extreme militarist as compared with Poincaré and some other Frenchmen he has established the reputation, in the conference for the peace treaty at Paris, of representing an extremely harsh policy toward Germany.

In his work on the Wreck of Europe, Nitti, the Italian statesman, frequently discusses Clemenceau. While I think at times he holds him too much responsible for French policy, I am going to insert without comment this extract from his book concerning the great Frenchman.

In his book *The Wreck of Europe*, on page 110, Nitti says:

All his life Clemenceau has been a tremendous destroyer. For years and years he has done nothing but overthrow governments with a sort of obstinate ferocity. He was an old man when he was called to lead the country, but he brought with him all his fighting spirit. No one detests the church and detests socialism more than he; both

of these moral forces are equally repulsive to his individualistic spirit. I do not think there is any man among the politicians I have known who is more individualistic than Clemenceau, who remains to-day the man of the old democracy. In time of war no one was better fitted than he to lead a fighting ministry, fighting at home, fighting abroad, with the same feeling, the same passion. When there was one thing only necessary in order to beat the enemy, never to falter in hatred, never to doubt the sureness of victory, no one was comparable to him, no one could be more determined, no one more bitter. But when war was over, when it was peace that had to be insured, no one could be less fitted for the work. He saw nothing beyond his hatred for Germany, the necessity for destroying the enemy, sweeping away every bit of his activity, bringing him into subjection. On account of his age he could not visualize the problems of the future; he could only see one thing necessary, and that was immediate, to destroy the enemy and either destroy or confiscate all his means of development. He was not nationalist or imperialist, like his collaborators, but before all, and above all, one idea lived in him, hatred for Germany. To render her barren, to deprive her of her supports, to destroy her—this was the consummation of the war which was proposed in the treaty of peace, and he and the financiers who surrounded him were the true artificers of the treaty of Versailles and of the policy which is still in force.

That was the judgment of the former prime minister of Italy with regard to this great statesman who has now come to plead with the United States for cooperation in present conditions; and the same author quotes in several places that statement of Clemenceau in the Chamber of Deputies in which he declared, in defending his course, that—

The treaties are a method of continuing the war.

So, Mr. President, I deprecate somewhat the character of this messenger who has come from France to ask the United States to cooperate with France in peace; and yet Clemenceau is mild in his attitude toward Germany compared with the present governing authorities of France.

It has been said by our representatives in Paris, particularly by Mr. Baruch in his book, that Clemenceau lost his position and was succeeded by others because it was considered that he had been too mild in his treatment of Germany. I mention this so as to emphasize the fact that the present attitude of France toward Germany is the extremest of the extreme, and that, violent as Clemenceau was in exacting the terms of peace with Germany, he was mild compared with the present Government of France in carrying them out.

So I am not here, Mr. President, to criticize the great French statesman; and what I present is merely a criticism of the present policy of France toward Germany, which it seems to me must be amended before France or any of her representatives can in justice call upon the United States for cooperation.

From this speech which was delivered by Clemenceau in New York the other night I am going to read one or two short extracts; and first let me call attention to this one. He says:

I have some friendly criticisms to bring, and I think it is worthy of you and of me that we exchange them in this most democratic way.

There I find a direct invitation to the American people to exchange the criticisms that we hold on the present French policy with the criticisms which Clemenceau brings upon our policy; and just at this point I may be permitted to say that I myself have been a severe critic of the attitude of the United States in leaving Europe, in forsaking the work of rehabilitation there at the very moment when our great moral force was needed above all other things. I feel that our desertion of that great duty in Europe at that time is now being felt by us in a very material way in the shape of penalties. We discussed the ratification of that treaty almost solely upon the League of Nations, and on this side of the Chamber I think we made the mistake of discussing it almost altogether from the altruistic standpoint; but I believe the time has come when the American people have begun to appreciate the fact that our failure to continue the work which we had started in Europe by helping in the work of getting Europe upon her feet is now being reflected in the United States by a very disastrous depression of business which has been continuing now for two years, and which, in my opinion, is going to continue for a good while yet to come. We have felt the destruction of our foreign markets; we have found, month by month, a constant falling off in our commerce; and the future will attribute that in part to the fact that we have done nothing to assist in the rehabilitation of Europe.

Mr. BORAH. Mr. President—

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

Mr. HITCHCOCK. I yield to the Senator.

Mr. BORAH. The Senator from Nebraska seems to agree with M. Clemenceau as to the proposition that the United States departed from Europe before it could in honor do so. M. Clemenceau seems a little nebulous about what the United States would have been expected to do had it remained in Europe. It seems to me, in the intelligent discussion of this

question, where we are practically invited to return to Europe, that there ought to be some degree of accuracy as to what is expected of us. Does the Senator understand that what M. Clemenceau desires is that we shall ratify the Versailles treaty and return to Europe for the purpose of executing it as France is now undertaking to execute it?

Mr. HITCHCOCK. Mr. President, of course, I agree with the Senator from Idaho that the statements by M. Clemenceau are too nebulous and too indefinite to enable one to draw a very direct conclusion; but my purpose in rising to-day is to mention in the RECORD what I believe are insuperable obstacles which will prevent the United States from any cooperation with France toward Germany as long as the present destructive policy is pursued. I am not basing that opinion upon any friendship for Germany. I am not basing that upon any dislike of France. I am putting it solely and only upon the basis that the United States might be glad to cooperate with the rest of the world in bringing about an establishment of real peace. To secure such a peace the dominant power in Europe to-day, France, must abandon the present destructive policy toward Germany. As long as that destructive course is pursued it is useless to discuss the matter before the American people.

Mr. BORAH. Will the Senator permit an interruption?

Mr. HITCHCOCK. Certainly.

Mr. BORAH. The Senator is of the opinion that under the present policy of France we can not very well cooperate with France?

Mr. HITCHCOCK. I am.

Mr. BORAH. When has that policy been different since the signing of the armistice?

Mr. HITCHCOCK. I shall undertake to point that out to the Senator, if he will permit me.

A little later on in his discourse M. Clemenceau used this language:

And now that we have peace, we must preserve peace.

It is a little inconsistent for M. Clemenceau to say that we have peace, when in his utterances in the Chamber of Deputies on several occasions he declared that "the treaty would be a means of continuing the war." But disregarding that, let us look at the methods which are now being adopted by the French Government. Let us see whether they tend to preserve the peace.

In the first place, France, in spite of the declarations of economists in all the countries of the world, continues to demand of Germany reparations that are absolutely impossible. That is the first obstacle. The demand has been of such a character, backed up by such conduct, as to warrant the suspicion, if not the belief, that France would rather have Germany fail in paying her reparations than to have Germany become commercially strong and able to meet reasonable reparations.

I thought I would insert in the RECORD at this time some evidence that Germany has paid all that could have been paid up to the present time. Numerous writers in all countries have stated that no power exists with which to get greater reparations out of Germany than have been paid up to this time, and I think it may be accepted as a fact, admitted by the intelligence of the world, that even if France should take military possession of Germany there would be no power in that occupation to wring out of Germany the reparations in accordance with the demands of France.

We behold in Germany a country at the present time which has lost about 7,000,000 of her population; which has lost 80 per cent of her iron-ore fields; which has lost almost her entire merchant marine; which has lost all of her colonies, and which has lost a large area of her country, so that in agricultural products the loss is even greater, in proportion, than the loss of population. So that at the present time Germany is able to raise only about 70 per cent, or at the most 75 per cent, of the food which her people need. Therefore, in the winter which is now coming Germany is entering upon a period of distress which inevitably will produce insurrection in that country, if not revolution. Only the other day we read in the papers of mobs gathering in the city of Cologne, I think it was, finally suppressed by the police; but that the mobs shouted only, "Hunger, hunger"; and that menace of hunger is coming upon Germany at such a rate that all who are able to get out of the country for this winter are doing so—getting into the countries adjacent thereto.

How is Germany to buy this 25 or 30 per cent of food which her people require to get through the winter? Germany has an export trade which is only half what it was before the war. Her export trade does not exceed her import trade. She can not pay in products because she has not any surplus products to sell. She can not pay in gold because Germany at the pres-

ent time has only \$238,000,000 available in her reserves that are at all identified and known. There may be gold buried in the ground, as there always is in time of war, but the available gold in sight is only \$238,000,000, and Germany can not part with a dollar of that without endangering what remains of her commercial and financial fabric.

To say that a country afflicted like that, and situated as Germany is, producing and having a productive capacity of only about 60 per cent of her productive capacity before the war, could meet these enormous reparations that are demanded by France, is the uttermost nonsense, and all writers on economy and on politics all over the world have conceded the fact. Yet the demand is made insistently and is backed by the threat of military occupation. That is one indication that the policy of France is not calculated for the maintenance of peace but rather for the bringing about of war.

Another thing. Germany is now a republic. Yet what sort of a policy is France adopting? France is adopting the very policy which is likely to drive Germany into the hands of the militarists and the Junker class in Prussia or to drive her, in desperation, into the arms of the Bolsheviks; whereas if France merely desires peace, the policy of France should be to do everything to maintain Germany as a republic, as it is at the present time.

So, I say, the first indication I see that France does not desire peace is this insistent demand for impossible reparations.

Mr. President, saying this, I know full well the need France has for those reparations. I know that the Government of France has indorsed something like a hundred billion francs of indebtedness issued to pay for reparations in the regions of France which need restoration. I know that the French Government has taken that great load upon itself to carry on the restoration in France which she had expected Germany to do. But the fact that she has had to do it instead of getting Germany to do it does not excuse an enlightened government for demanding an impossibility of Germany at this time.

That is not all. The demand of impossible reparations does not strike me as the only evidence that France has not shown any sincere desire for peace with Germany. Let me call the attention of the Senate for the second time to the greatly provocative and disgusting policy of France in maintaining colored soldiers, black troops, along the Rhine, quartered by the thousands in German cities and towns. At the time I spoke on this subject several months ago I did not have before me the language of this book, written by this eminent Italian, and my information concerning the black troops was somewhat limited. Nitti, evidently after an investigation, in referring to the black troops on the Rhine, in several places in his book uses language some of which I will quote at this point. He is citing a number of causes which are leading to the wreck of Europe, and among others he cites this great moral cause:

The moral level of Europe is daily being lowered. The policies pursued toward the conquered have no parallel in modern history. Along the Rhine some of the most progressive cities in the world have been placed under guard of black troops of inferior race, and they are guilty of every form of violence, which they commit not through necessity but with the desire to insult and outrage. The conquered are deprived of their wealth by means of all kinds of parasitism and commissions of control, which in reality often amount to spoliation, and the methods employed bring back to mind the worst phases of the Middle Ages.

Mr. POMERENE. Mr. President, may I ask the Senator as of what date that statement was made?

Mr. HITCHCOCK. This is in the American edition, which appeared in this country in March, 1922. I realize what the Senator probably has in mind—that is, that possibly the black troops have been removed.

Mr. POMERENE. I had in mind that some statement was made on the floor of the Senate to the effect that they had been removed; but I did not remember the date.

Mr. HITCHCOCK. The first inquiry I made on the subject was, I think, nearly two years ago, and at that time I was informed that the black troops had been removed, and there have been newspaper statements since the speech I made in the Senate, and even cablegrams from Europe, to the effect that the black troops had been ordered to Asia Minor, which, if they can not be kept in Africa, is probably the best place for them. But I have learned since that time that that has not been carried out, or at least it has not been carried out fully.

Mr. SPENCER. Mr. President, will the Senator yield to me for a moment on that subject?

Mr. HITCHCOCK. Certainly.

Mr. SPENCER. As a matter of fact, there are black troops on the Rhine to-day, but not of African descent. The Moroccans, the Arabs, are still there in some numbers. The War Department and the State Department both looked into the question of their conduct along the Rhine, to which the Senator so

graphically alluded, and the result of the investigations of both the departments was that the conduct of the black troops was quite as good as the conduct of any body of troops assembled together. Originally there were black troops of African descent, but, with the possible exception of purely negligible clearing-up squads, they have all been relieved, and there are none of them there now. The Arabs are there, but so far as their conduct is concerned it is as good as that of other troops. The head of the foreign department of Germany officially declared some months ago that he regretted exceedingly the propaganda with regard to the conduct of the black troops on the borderland, because it was unfair and it was hurting the incoming guests, or visitors, who naturally would want to see that beautiful part of the Rhine. I think that is the situation to-day.

Mr. HITCHCOCK. If they have been removed, it has been very recently. I will read something on the subject of the different African troops which have been there; but there really can not be any question as to the outrages that have occurred. They are vouched for by Nitti in this work, and they have been vouched for in so many different records that I can not think that they can be disparaged with any success. The matter has been so serious, as has been described, that a number of the towns along the Rhine have been compelled to levy taxes on their people for the purpose of building public houses of prostitution in order to protect their women folks, and an American who was present in several towns and saw the sights said it was disgusting to see the black troops line up there on pay day in the street in front of those houses waiting for their chance to get in.

Such a condition of things as that is unspeakable, and it is something in which civilized people all over the world are interested. It is a matter in which the United States has an interest, because the United States is in part responsible for the army of occupation being there.

On page 236 Nitti says:

And as the final insult to the conquered in the army of occupation backward races are represented. Thus the most cultured cities in Europe have been and are under negro violence which has been guilty of the most serious crimes. The German population has been subjected unnecessarily and, in order to satisfy the desire to offend, to physical and moral trials unknown for centuries in civilized countries. In April of 1921 there were still on the Rhine 14 or 15 colored regiments, 9 to 10 from Algeria, 2 from Tunis, 3 from Morocco, and 1 from Madagascar. There still remain, after the departure of 2 Senegalese regiments, some negro detachments.

They were taken out at one time, and then they were brought back this year. The Senator from Missouri [Mr. SPENCER] need not shake his head at me. I have had correspondence from reliable people in the occupied zone who have seen the troops there, and I have the impression that one reason why the withdrawal of American troops was delayed was because the American officers notified our Government that their places were being taken by black troops this year.

Mr. SPENCER. May I say to the Senator—

Mr. HITCHCOCK. Let me finish this quotation and then I will yield to the Senator.

There still remain, after the departure of two Senegalese regiments, some negro detachments. Documents have shown at length what outrages have been perpetrated by the troops of occupation and what crimes the negroes have committed. Henceforth everybody knows that the occupation has no military aim, but (like the confiscation of the Saar coal and the pretext of enormous indemnities and the splitting up of upper Silesia) only one aim is kept in view: Germany must be forced to the point of moral exhaustion and her unity in sentiment, and indeed even her political unity, broken.

I would like M. Clemenceau to justify before the American people in his next speech the putting or keeping of negro troops or the troops of any inferior race as an army of occupation among a white people. It can not be justified. There is no real reason for it, no military reason for it, and the conclusion is almost inevitable that it is done to goad the German people to violence in order to give an excuse for a military occupation of German territory.

I now yield to the Senator from Missouri.

Mr. SPENCER. I do not wish to enter into any controversy with the Senator, and I do not do so. I sympathize very strongly with his views. The presence of negro troops might be and is exceedingly objectionable, but the troops, when they are seen in assembly, are not negro troops. If the troops were quartered in southern cities they would not bear the faintest trace of negro troops. Their complexion is light. Their conduct is very good. Their speech is not at all African. It is the Moroccan or the Arab. They are educated and a higher class of people. Negro troops are not there. I do not mean to say there may not be a squad here clearing up what is left to be done, or a detachment there, but it is negligible. The troops there now are Arabs or Moroccans. They are not the Senegalese. They are not the African troops.

The War Department made an exhaustive study of the matter and reported clearly that wherever there had been an outrage, as there were, and wherever there was conduct that needed to be punished, and there had been, it had been promptly taken up and the offender had been severely punished, and that discipline among these troops measured well as compared with that of any other troops. I merely state that because I know the Senator from Nebraska wants the facts as much as I do.

Mr. HITCHCOCK. In my former speech on the subject I introduced some statistics which the Senator from Missouri would do well to look up. He made a brief visit to Germany and comes back with a certain impression. It may be that just at the moment there are no negro troops there, but if they are not there it is due to the protest which in this country has been made against them, and it does not do away with the fact that the motive for putting them there has not been explained. Why does a country desiring peace with another country, as Clemenceau says, put such an insult upon her neighbor's people? Why does it incite a violence, as it would by putting these half-civilized troops in a military occupation over white people? Even if they are not there at this moment, that does not do away with the necessity for some explanation to the world as to why they were put there.

Mr. BORAH. I think the Senator has a misunderstanding of what M. Clemenceau means by peace with Germany.

Mr. HITCHCOCK. I am a little afraid the distinguished statesman from France wants us to maintain an armed peace; that he wants us to help France to dismember Germany. I think that is the present policy. I think that is the intention of the French Government. I hardly think it can be the intention of the French people. There must be somewhere a French statesman who will rise and advocate a more reasonable policy. There must be somewhere in France French statesmen who will realize that Germany can not be destroyed as a great factor in the world without breaking other nations down, too, and France among them. The ruin of continental Europe is coming when Germany goes to smash, and, far away as we are, we in the United States have a direct material interest in that catastrophe, if it ever comes.

But now, Mr. President, just take a very recent act of the French Government as indicating the attitude toward the German people. Does it look as though the Government of France desired real peace with the people of Germany when we take into account the monument which was erected on armistice day on the German border? On this last armistice day on the German border a slab was erected bearing this inscription:

Here on the 11th day of November, 1918, succumbed the criminal pride of the German Empire, vanquished by the free people it sought to enslave.

That flaunting of a spirit of hate in the very face of the German people is not calculated to promote real peace. When two great peoples want to have peace with each other they drop the sentiments of hate. So Argentina and Chile did when after their wars they erected by joint action a monument upon the boundary between them. Did they put up any such slab as this, recalling the hate and vindictiveness of the past? No; they erected a bronze statue of the Christ, symbolical of peace on earth and good will toward men. But how can Clemenceau justify the erection of such a slab as that in the very face of the German people at the national boundary line? So I say that if there is a real desire for peace in France and if France wants the United States to assist in maintaining that peace France and Clemenceau will have to explain why these acts are committed which tend to goad people on to continued hate of each other.

In another part of his speech Clemenceau used this language, which sounds very much more like sanity:

Now, I say that after such a war men can not continue to fight each other; they can not fight forever. There are, after all, two Germanys. There is the Germany which is a democratic Germany, which, I think, could, more easily at least, be called to reason.

Now, Mr. President, that is an indication of the statesmanship of to-day. There are two Germanys. There was the old Germany which is dead; at least it has fallen, and it will remain fallen if the German people are permitted to erect their republic on its ruins and to maintain that republic. But how can the German people maintain that republic shackled and crushed as they are by the present attitude of France toward Germany? How can the republic live in the face of its people when it is compelled to submit to insults, when it is compelled to submit to impossible demands, when it is compelled to see 60,000,000 people, prone and helpless, deprived of a chance even to revive their business and put themselves in a possible position to pay the reparations? The attitude of the French Government is such as to destroy all chance of Germany becoming a permanent republic in the world. There are two Germanys, and if the opportunity is given this Germany will be a republic,

as much a republic as France, as much a republic as the United States, but it can not remain a republic, it is bound to be driven into bolshevism or militarism by such policies as are maintained at the present day by the French Government.

In another part of his address M. Clemenceau said that he wants America to resume conversations with Great Britain and France. His language was this:

If America could take upon it some way to renew conversations with England and France, not to give a promise of anything that would engage the future that she had not engaged during the war.

Now, that would be a consummation devoutly to be desired.

Mr. BORAH. Mr. President—

Mr. HITCHCOCK. If the United States should enter into some sort of conversation with the powers of Europe and use her moral force to bring about a real peace and a real rehabilitation, founded upon justice and good will, I think it would be a great duty of the United States to do it. I yield to the Senator from Idaho.

Mr. BORAH. There again M. Clemenceau is studiously obscure, apparently. What does he want the United States to do? What is it that the United States can do under the present policies of France? Of course, the only inference which can be drawn is that the United States is to go to France to enforce the present policies of France. There is no intimation and no suggestion in the distinguished visitor's speech that France proposes to modify or change her policy. There is no suggestion that there is anything going to be done upon the part of France in regard to this situation. France has her policy and seems to be determined upon it, settled in regard to it, and what we are invited to do is to go there and to enforce that policy.

Mr. HITCHCOCK. Mr. President, I agree with what the Senator from Idaho says in that respect, but I think M. Clemenceau, when he invited counter-criticism, possibly had in mind the fact that some criticism might be forthcoming as reasons why the present policy of France could not be approved in the United States. I am seeking to afford some of those reasons.

Right on that point let me say that I can not conceive it possible that the United States would be justified in doing the least thing to uphold France in her present policy until she agrees to disarmament. France in that matter has taken a position which has practically stopped any attempt to disarm the nations of the world. She sent her delegates over here to discuss disarmament at the disarmament conference, which was largely a product, I may say here in passing, of the efforts of the Senator from Idaho, but when her delegates came here, while they grudgingly consented to discuss naval disarmament, they absolutely refused to consider military disarmament, and we now learn through the press that France is not going even to ratify that part of the agreement which provides for naval disarmament. Mr. President, the United States can not afford to give any moral support to a country which persists in pursuing a course of militarism and conquest. At the present time France is maintaining an army of 700,000 men, and possibly more—the largest army ever maintained by any nation in time of peace; larger even than the German Army was when Germany was preparing for war. The British Army has been reduced to something like 200,000 troops; our Army in the United States has been reduced to something like 125,000 troops; Germany has been forced to reduce her army to 100,000 troops.

Mr. President, at this point I wish to call attention to the fact, and I wish to call it to the attention of M. Clemenceau himself, that when the treaty of Versailles was adopted there was inserted in Part V of that treaty the following language:

In order to render possible the initiation of a general limitation of the armaments of all nations, Germany undertakes strictly to observe the military, naval, and air clauses which follow.

That is to say, Germany agreed to disarm to the extent of making her forces 100,000 men, and Germany has done it. She was forced to do it, whether she did it willingly or not; but what has France done to carry out that plan? France was morally bound to agree to observe the terms of Part V of the treaty of Versailles. It was for the purpose of enabling her to disarm that Germany was required to disarm. France, however, has not only failed to disarm, but has increased her military establishment above anything ever before known, and has encouraged Poland to maintain an army of several hundred thousand men, Rumania to maintain an army of 160,000 men, Belgium to maintain an army of 113,000 men, and other nations in proportion, while Germany has reduced her army to 100,000 men and is practically helpless to-day. Hungary has reduced her army to 35,000 men; Austria has reduced her army to 21,000 men, and Bulgaria has reduced her army to 23,000 men. So while that part of the treaty of Versailles has been carried out

so far as the defeated nations are concerned, France has utterly refused, and not only refused but has defiantly refused, to do her part toward disarmament. I should like to say to M. Clemenceau that I believe there will be no sentiment in the United States in favor of supporting the French policy until some serious effort shall have been made to carry out the clause of the treaty of Versailles which implied disarmament.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Nebraska yield to the Senator from Virginia?

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

Mr. GLASS. The Senator from Nebraska is a member of the Committee on Foreign Relations, and I wish to ask him a question for information. We adopted what was known as the four-power treaty some time ago, and the principal plea for its adoption was that it would rid us of the menace of the Anglo-Japanese treaty. Is it not a fact that with the expiration of to-day the Anglo-Japanese treaty again goes into effect for another year, inasmuch as France and Japan have failed to ratify the four-power pact?

Mr. HITCHCOCK. I am unable to answer the Senator's question. I have not had the matter called to my attention and have not examined it; but I think what he has stated is a very interesting contribution, if he is correct.

Mr. GLASS. My information is that with the expiration of to-day the Anglo-Japanese treaty again goes into effect; so the chief reason presented for the adoption of the four-power pact falls to the ground.

Mr. HITCHCOCK. Mr. President, there is another matter which is not of such direct application, perhaps, but yet I think the people of the United States have been a good deal shocked by the disposition of France to back Turkey in the recent wars she has been conducting and which have resulted in the reestablishment of the Turkish Empire in Europe, to continue, as has been continued in times past, that menace to all the neighboring countries. France for some reason saw fit to adopt that policy toward Turkey; and, while that is not involved in the immediate question of her policy toward Germany, I think it is a deplorable fact which the American people, who sympathize with nations which are oppressed by Turkey, resent.

Mr. President, I think I have said about all I care to say in reference to this matter. I do not feel justified in resenting the presence of M. Clemenceau in this country. From his standpoint, no doubt, he comes entirely justified. He feels that he is here on a worthy errand. He is a very old man and a man who has served his country faithfully. He has a right to come here either as a private citizen or an unofficial representative of his country in order to present to the people of the United States the appeal of France for our sympathy and our support; but I think he ought in his addresses in this country to meet the questions which I have to-day presented: Why does his country pursue these policies which are against the peace of Europe, which are obstacles to the peace of Europe, and which in some respects are almost certain to produce further war and further destruction?

Mr. BORAH. Mr. President, in view of the able presentation of the subject I had in mind by the Senator from Nebraska, it is my purpose to discuss it but for a very few minutes. He has correctly stated that our distinguished guest is a very great figure, one of the three or four dominant figures in the world to-day. His age, his distinguished career, and his conceded great ability entitle anything he may say to most courteous and serious consideration.

I have read his address in New York with some degree of care. I must say that it was a little difficult at first reading to gather his views, and it was not much less difficult upon second reading. But some things seem apparent. One gathers from the address as a whole his view that we abandoned Europe before we could honorably do so; secondly, that by reason of such action upon our part we destroyed the economic life or solidarity of Europe; and third, that the present condition of suffering in Europe is due to our failure to discharge our duty toward Europe.

I read a paragraph or two which seem to justify the construction I have placed upon his address. Before leaving Paris in an interview which he gave to the country he said:

I will not touch specific matters, such as interallied debts, but will keep to the main fact, namely, that America has not stood by her allies in peace as she did in war and that she was wrong in quitting.

In his address in New York night before last he said:

You left after the contract was finished and you said "execute it as you may." * * * And you were wrong in that you left without any proposal whatever. * * * You broke all the organs of economic solidarity. * * * You, indeed, showed a touch of economic imperialism when you left us after the war was over directly. You have the best resources in the world.

That is a feature of his address which should not be overlooked.

In New York last night he spoke again before the chamber of commerce, and in that address repeated—

It was the greatest mistake and the source of all the evil that is taking place now.

That is, the mistake was to leave without any proposal of an adjustment of matters. He says:

I want you to interfere in Europe because you left it too soon. I want you to come back.

So it is quite plain that the first message which he brings to us as a people is as to our act of dishonor in abandoning our allies at a time when we could not properly do so. There is an attempt upon his part then to assess all the suffering and misery now prevailing in Europe to that act of dishonor upon the part of the United States.

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

Mr. BORAH. Yes.

Mr. SMOOT. How does the Senator construe the statement just read from M. Clemenceau? Does the Senator think that he meant that we should go back to France with our Army?

Mr. BORAH. I am coming to that.

Mr. SMOOT. Or that he desires us to furnish them more money, to be expended in any way they may desire, to carry on their commerce or otherwise? Will the Senator cover that point later?

Mr. BORAH. In that respect M. Clemenceau is a little indefinite; but I take it that his mind is the same as it was when they were asking us to go into the league—that they would settle what we would do after we joined.

Mr. SMOOT. Of course, so long as France is spending 5,500,000,000 francs a year on her army, when I read the speech I took it that M. Clemenceau desired that we send over 100,000 men to take the place of some of the soldiers who are now being paid by the French Government and relieve France of that expense.

Mr. BORAH. I presume the Senator has the correct construction. It is a pretty serious charge, Mr. President, for a guest—although we are very glad to have him here—to say to the country which he is visiting that the fearful misery and unspeakable conditions which now obtain in Europe are the direct result of the dishonorable policy of our country, because our action could not be honorable upon the basis on which it is presented to us. We did not leave at a time when we were not permitted to leave, with all due respect to the view of the Senator from Nebraska [Mr. HITCHCOCK], and I am perfectly satisfied that the present conditions in Europe do not arise by reason of our act. I think the statement made by M. Clemenceau is as unfounded as it is ungrateful.

The United States went to Europe to participate in a war for which in the first instance the United States was in no sense responsible, a war which grew out of the system and policies which had prevailed in Europe particularly for the last 25 years, a direct result of the policies which obtained there. The war came as a result of those policies, and it progressed to such a point that the American people took part in it. It is pretty well conceded that by reason of their participation they assured victory to the Allies. We sacrificed hundreds and thousands of American soldiers. We contributed a vast amount of money. We were certainly a dominating factor in the determination of the war upon the part of the Allies. We came home without asking reparations, damages, territory, compensation, or anything else of that nature or kind. Having won the victory or made victory possible, having expended vast sums of money and sacrificed thousands of lives, and having left all damages and vast territories to our allies, we are now told we abandoned our allies in dishonorable fashion.

The cause of the disastrous conditions in Europe I will discuss a little later.

The fourth proposition which seems to be clear from M. Clemenceau's speech is that we should now guarantee the boundaries of France; that we should undoubtedly go there with our Army, with our men, with our military force; in other words, that we should give a guaranty, which guaranty would necessarily have to be backed up by military force under the present policies of France.

The fifth proposition which M. Clemenceau submitted to us was that the Monroe doctrine is obsolete; that it was a very good doctrine for the country when it was young, but—to use his expression—the doctrine of a child or the policy of a child is not the correct doctrine or policy for a mature man.

We are advised, therefore, that this policy, which is purely an American policy, distinctly an individual policy, so far as the Nation is concerned, and one which has been very highly prized by the people of the United States, and which, in my judgment,

is still a cherished policy, is now obsolete—an interesting suggestion.

The sixth proposition which M. Clemenceau seems to make clear is that we should assist in enforcing the German treaty as it now exists. There is no suggestion upon his part that France is to modify or mollify her views with reference to the German treaty, or modify the treaty, or consent to its modification. There is not the slightest suggestion of any change of policy upon the part of France with reference to any of these matters concerning which we would be expected to take part. In other words, we are expected to go there with money and men to enforce the German treaty; and to enforce that treaty, in my humble opinion—and that opinion is buttressed by the opinions of men very much more able than I to pass upon such a question—would be the utter destruction of Europe. It would lead to economic chaos, to the breakdown of the whole social and economic fabric of Europe. It would result ultimately in the governments taking possession not only of Germany and administering a government over her people as a subject people but of Austria, Hungary, and perhaps other European countries. Unless, as was suggested by the Senator from Nebraska, there should be a complete change of policy—which is not suggested—this could be the only result of our going into Europe. We are invited, therefore, to do that which will not bring peace, not help the suffering masses, but to enforce a treaty which means greater suffering, more misery—an intolerable condition of affairs which language is inadequate to portray.

As I intimated a moment ago, it is not averse to me to have M. Clemenceau visit this country. We recognize in him a most distinguished figure in world affairs; but I do submit that if he is bringing to the American people a message calculated to bring about cooperation between the two powers it would be wise if he would suggest some modification of a policy upon the part of France which is bringing Europe to utter ruin.

Then M. Clemenceau advises us that we are on the verge of another war. I think probably we are. The outlook is rather discouraging. We are on the verge of another war by reason of the same policies which brought on the war in 1914. The same militaristic, imperialistic policies of the dominating powers which brought on the war of 1914 are again breeding war in Europe; and unless those policies are radically changed, in my humble opinion, at no distant day the world, or a large portion of it, will be engaged in another great conflict. Indeed, Mr. President, we have never had peace. War has continued practically from the signing of the armistice until now in some parts of Europe, and in a large portion of Europe; and the conflict has been the result of the policies pursued by the dominant powers, and not by reason of any failure of the United States to remain in Europe.

M. Clemenceau complains that the people of the United States look upon France as a militaristic nation. There is a belief of that kind in this country, and it grows day by day. I do not assume that the French people as a people are militaristic. I do not know whether that is true or not. At least, there are not sufficient facts in my possession to justify me in making any such charge as that. The French people as a people may be free from the militaristic spirit; but there can be little doubt in the mind of anyone that the governing power of France, the official power of France, is militaristic. The evidence of that fact is upon every hand.

Some three years ago the ex-President of the United States, Mr. Wilson, wrote a letter to the Senator from Nebraska [Mr. HITCHCOCK], which letter was made public, in which he advised us that the military power, the militaristic forces, had taken control of French affairs and of French policies. That called forth at the time some criticism of the author of the letter here in the Senate Chamber; but he was in a position to know. Undoubtedly he would not have stated what he did without ample facts to justify him, and subsequent events quite well justified the statement which he made at that time. Whatever may have been the sentiment of the French people as a people, the letter stating that the militaristic forces had taken control of the policies of France was well justified. Indeed, Mr. President, in that respect France is not different from other countries. I do not know of any country that has not somewhere in it a very strong militaristic force, a people who believe in a strong military policy. We are not an exception to it in this country. It is certainly true with reference to other great countries which I might mention; but the point that now concerns us is that that influence now controls and dominates the policies of France, and there seems to be no reasonable ground upon which to assume that they will within any reasonable time be without control.

We all recall the first meeting of the League of Nations at Geneva. A resolution was offered to the assembly looking to a program of disarmament. In the first instance the resolution

was comparatively mild. It really provided for nothing more than formulating a program of disarmament; but it was objected to, and finally it was modified, and modified again, until, as Lord Cecil said, it was nothing more than a pious expression of the hope that at some time the nations would disarm. But even that resolution, simply indorsing the moral proposition of disarmament and expressing the hope that at some time the nations of the earth could come around to an agreement for disarmament, was voted against by France, and she organized against it a force of some five or six votes. It was in effect stated there at the time that France was not in a position to consider the proposition even as a moral proposition, let alone a binding proposition in the immediate future.

We also remember, as has been said by the Senator from Nebraska, the attitude of France at the peace conference in Washington. When I had the honor to introduce that resolution here in the Senate I left France's name out of the resolution. I did so in the belief that France would not be a willing coadjutor in disarmament. It was perfectly apparent to me, as I stated here upon the floor of the Senate, that France was not in favor of disarmament, or even in favor of any steps being taken in that direction; but it was thought wise elsewhere to include France, and France came. She was the discordant note from the beginning to the end of the disarmament program, in some instances putting almost insurmountable obstacles in the way of any practical results whatever. At least it was known, understood by the world, and practically denied nowhere, that France was against any program of disarmament that amounted to anything; and not only disarmament with reference to those things concerning which she might have claimed in view of her relationship to Germany but concerning those matters which were more immediately related to naval disarmament.

Mr. President, the disarmament treaties were made; and where are they? As I understand, they are resting in the pigeonholes, if not some less desirable place, of the Assembly of France. It is almost a year since they were made. They have been ratified in this country. We were informed that speedy ratification was desired to enable the other countries, knowing our attitude, to follow quickly in our wake. But they have been laid aside, and the latest information is that they are not to be ratified at all. The Assembly of France adjourned last summer, with the treaties still in the committee, and we were advised by the Associated Press that they had not even been considered in the committee. So there is some reason for the American people to feel that possibly France is militaristic. We will be glad to have the distinguished visitor state the exact attitude of France with reference to the question of disarmament, with reference to the treaties which are now pending, and with reference to her position upon the subject generally.

Then, Mr. President, we recall that at the Genoa conference Russia suggested that among the other things to be considered the subject of disarmament be at least discussed to see if we could not arrive at some basis upon which the armaments of Europe could at least be lessened. Russia at that time was reported to have nearly a million men under arms, and Russia suggested that the question of disarmament be taken up. It was said that Russia was acting in bad faith. But who knows? Her bad faith did not have time to exhibit itself, because immediately, and with some degree of asperity upon the part of the representative of France, it was said that that subject would not even be considered, and could not be considered at the Genoa conference.

The Senator from Nebraska has also referred to the attitude of France at this time with reference to Turkey. A business man of this country who was over in that part of the world several months before the situation became so acute, and who had been there for several months, advised me as to what was going to happen, that France was shipping arms in secrecy and under cover of label of other goods to Turkey. He declared that inevitably that kind of encouragement and that program would lead to a condition which would, in his opinion, result in war. Just how near we are to a conflict in that region of the world no one knows, but we all know that it is sufficiently menacing to cause consternation throughout the civilized world.

Here let me pause to say that it is almost capable of mathematical or logical demonstration that the situation in the Near East is due to the policies which have been pursued by France and England in that region of the world. Such policies would inevitably lead to conflict.

M. Clemenceau also feels aggrieved that we think that France is imperialistic. Her conduct in Syria can only be justified upon principles of imperialism, and the most obnoxious and indefensible imperialism. If there was one pledge made in the war that was distinct, clear, beyond all doubt, it

was the pledge which was made to the Syrian people that they should have their independence, that they should be a self-governing people after the war. They understood it that way. They fought upon that basis. Their soldiers were willing to suffer and die upon that theory. Both France and England entered into that agreement or understanding.

It was by reason of the violation of that plain agreement with reference to Syria, and the violation of a similar understanding with reference to Mesopotamia upon the part of England, and their conduct in Egypt, that the entire spirit of the Islam world was aroused and they lost their faith in the governments of the white people. If that fanaticism, kindled by religious zeal, added to the belief that they are fighting for their independence, once gets into action in that portion of Europe, we will have a conflict which will be equal to the one through which we have just passed. There are millions and millions of those people who are now aroused over what they deem the injustices to them and the breaking of faith with them during the war.

Those nations now are in Mesopotamia, holding it by force of arms, and in Syria, holding it by force of arms. I have upon my table here the last dispatch from Syria, showing that they are manifesting in most earnest fashion their disapproval of the mandate and their contention for their independence. They are not only holding them in subjection by a military force, but they are exploiting their natural resources, which they have no more right to take from those people than I would have to reach into your pocket and take your means from you. Those natural resources belong to those people; they are associated with their future prosperity and their future welfare; yet, under the color of a mandate and under the color of protection, their natural resources are now being taken from them. That is one of the reasons why this deplorable condition exists in the Near East, concerning which M. Clemenceau feels some concern. These are the policies which we are invited to go to Europe and enforce.

Just a word with reference to the Versailles treaty. The conditions in Europe are indeed indescribable. The sufferings upon that continent are undoubtedly greater than have been endured by any people in the history of the world, not only in Russia but in Germany, Austria, Hungary, and throughout that region generally. The whole social and economic fabrics of Europe are imperiled. What the future has in store is a mere matter of speculation. It seems, however, that unless there is a change of policy that speculation will come suddenly to an actuality.

But why does that situation exist? There has been a practically unanimous judgment in regard to it. There is very little difference of opinion in regard to it among economists, publicists, and leaders who have studied the subject. They agree that the terms of the Versailles treaty are impossible, that they are destructive, and that they lead inevitably to the conclusion made by the Senator from Nebraska, and, as stated in practical effect by Mr. Nitti and other writers, that lying back of the question of reparation, and the terms of the policy, is the desire for the dismemberment of Germany. I can appreciate in some sense why that feeling may be entertained upon the part of the French people; but it must be clear that that can not take place, with the ruin which would follow, without dragging into the general ruin not only France but other countries of Europe and imperil the social fabric of the entire continent. Such a policy is so utterly destructive, so utterly impossible, that to even contemplate its enforcement seems to me almost unthinkable. That is the reason for the conditions which now prevail in Europe.

A great many distinguished Americans of all kinds of thought, all classes, you may say, have visited Europe within the last three years and have studied the situation, and while, of course, I can not be entirely accurate about it, I can not recall now anyone who has studied the conditions in Europe, and undertaken to arrive at a conclusion as to the cause of those conditions, who has not attributed them to the impossible terms of the Versailles treaty. There seems to be practically a unanimous agreement.

One of the latest expressions upon the subject was by a very distinguished banker in New York, who gave an interview after his return some time last August, in which he said:

No more shortsighted and destructive settlement was ever inflicted upon the world, from the point of view alike of friend and foe, than the so-called peace treaties with Germany, Austria-Hungary, and Bulgaria.

Again he said:

I have not met a man of liberal thought in Europe who does not denounce the treaties and look upon them as little short of a calamity.

Yet, so far as we can gather from the speech and the discussions of our visitor, what we are expected to do is to insure the enforcement of those destructive treaties.

Mr. President, it seems quite clear that, so long as they obtain, so long as the Versailles treaty is the fundamental law of Europe, just that long there will be misery, unrest, conflict, and bloodshed; and not only would the United States be justified in refusing to have any part in it, but in my humble opinion it is one of those things so far-reaching and so thoroughly involving the welfare of the whole human family that we are perfectly justified in discussing it in the most candid manner. Especially must such be true in view of our invitation to return to Europe.

It has been said by the Senator from Nebraska that M. Clemenceau is mild compared with the present prime minister of France and other leaders in France. That may be true; but the views of either with reference to the Versailles treaty are so destructive that comparisons are wholly unnecessary. It may be that in some respects they disagree, but they agree upon the Versailles treaty as it is. They agree upon its enforcement. They refused to consider any question of modification, and that means destruction. If Poincaré has something else in his mind, it is wholly immaterial, because the policy upon which the two do agree is quite sufficient for the indictment which may justly be brought against the policy of that country at this time.

I take the time here to read a paragraph from Nitti, ex-premier of Italy:

The purport of France's action in the conference was not to insure safe military guaranties against Germany, but to destroy her; at any rate, to cut her up. And, indeed, when France had got all she wanted and Germany was helpless, she continued the same policy, even intensifying it.

Again he says:

* During the conference France put forward some proposals the aim of which was nothing less than to split up Germany.

I now read a paragraph from Mr. Bernard M. Baruch's volume on the making of the treaty. Mr. Baruch was one of the ablest of the advisers at the Peace Conference. He says:

Americans and others had the charity to remember that the horrors of war were still heavy upon the world. Try as men might, and I submit that they did try, the spirit of vengeance or of selfish advantage could not be entirely eradicated from the minds of the framers of the treaty.

Mr. President, I read these paragraphs not to assess personal blame but to reveal the fact which must be apparent to all—that a treaty made in this spirit and with the views then entertained can not be a sound treaty or a treaty under which peoples may again come to a peaceful understanding. Such a treaty was indeed, as M. Clemenceau declares, but a perpetuation of the war, and it has brought with it all the evils, all the bitterness, all the demoralization of war.

Mr. President, to me the most discouraging feature of the able visitor's speech is the fact that here is one of the great and dominant figures of the world—perhaps there are not over three or four men in the whole civilized world now living who would rank with him in career and in fame, not only before his own people but before the people of the world—who comes to us to visit us four years after the signing of the armistice. He carries no message, when we analyze his speech, except that of punishment, of vengeance, of anticipated war. There is not a note of harmony toward the other powers of Europe, not a suggestion of a constructive policy, not a single ray of promise so far as actual peace and the happiness of the world is concerned.

I utterly disbelieve in his whole theory. I can not accept his outlook. I unhesitatingly reject the proposition that there is no means in this world by which to govern men except that of force.

If the great powers of Europe will write a treaty under which Europe can live, if they will do justice to the subject peoples of Europe, if they will abandon the principle of imperialism, if they will announce instead of a policy of force that of justice toward other peoples, if they will adopt the policy which looks to peace and not to war, which looks to reconstruction and not destruction, which looks to upbuilding and not dismemberment, and bring their program to the American people, they will find as sympathetic a chord here as they will find anywhere in the world.

We will not be misled, Mr. President, however, with the talk about peace to overlooking the underlying principles upon which the whole policy of Europe is based. It is precisely the same policy against which the delegates to Paris had to contend at the Peace Conference after the close of the war. There was carried to the Peace Conference an American policy, a policy based something upon justice and equity to the different nations of the world, something of amity, something of reconstruction. Every single principle that was carried to that conference by the American delegates was rejected, so far as the treaty proper is concerned. Not a single one of the policies was incorporated in the treaty. The same policies prevail now. We are invited back, not to a new Europe, not to a Europe looking to reconstruction. We are invited back to the old

Europe with its secret treaties, its secret diplomacy, its militarism, its imperialism, and it is that policy which the American people are asked to furnish their money, their means, and their men to enforce. M. Clemenceau could have carried a message to the American people which they would have been delighted to hear, but he has brought the old policy. Humble as I am in these affairs, and as little as I have to say about them, I venture to declare that the American people will reject it. They will separate the policy from the man, and while giving the man a royal welcome they will with magnificent unanimity reject the policy.

Mr. STERLING. Mr. President, when this discussion was begun by the Senator from Nebraska [Mr. HITCHCOCK] I had not expected to say a word upon the subject, but I was led to think, while the discussion was going on, how easy it sometimes is for us to forget and how differently we feel at a distance of 3,000 miles from the cause of any friction between Germany and France than if we lived just across the river from an enemy country.

I very well recall the ardor with which after a long time we engaged in the war for the protection not only of our own rights but for liberty and humanity throughout the whole world. But before we got into the war France had been fighting our battles for us and for the rest of the civilized world as well.

I remember, Mr. President, seeing a cartoon of McCutcheon's in the Chicago Tribune at or about the time of the signing of the armistice. There were two pictures in the one cartoon. One represented what the Belgian soldier was going home to, while the other represented what the German soldier was going home to. The Belgian soldier found his cottage a mass of ruins. There was just one wall and a part of the chimney left standing. He had been looking among the débris, and there he found, as the only sad reminder of his family and his home, a child's doll upon which he seemed to be gazing with a sorrow unutterable. The picture would apply to the French as well as the Belgian soldier. Then there was the other picture of what the German soldier was going home to. It was a picture of a soldier clad in splendid uniform, with knapsack on his back, his rifle on his shoulder, and he was approaching a fine cottage all intact, with trees and flowers and a neat fence around it, and a wife and 3 or 4 apparently happy children rushing out to greet him. That was the picture of the German soldier and his home. I hope in the discussion of this question now or hereafter that we may for a little while anyhow put ourselves in the other fellow's place.

I remember, too, some of the statements of M. Briand at the Conference on the Limitation of Armaments. He contended against a reduction of land armament and forces—and why? He told us why. It was because Germany had not yet morally disarmed and that she had facilities through her military system that had been in vogue for many years prior to the armistice; she had facilities through the general officers of the army; she had the means and facilities through quasi military organizations all through Germany to mobilize a great army in a comparatively short time; and that as long as she was not morally disarmed there was yet danger of a war of aggression against France. For that reason M. Briand protested eloquently against the further reduction of their land military forces, agreeing, as they did at that time, to naval disarmament.

Now, Mr. President, I do not believe the speech of M. Clemenceau bears the interpretation put upon it by the Senator from Nebraska [Mr. HITCHCOCK] or the Senator from Idaho [Mr. BORAH]. I think, in the first instance, M. Clemenceau wanted to know that America, true to her traditions and true to what she had done in the past, was still her friend as she was when France stood as the great bulwark of liberty in Europe. Here is what he said, expressing the same thought that M. Briand did in his memorable speech to the Conference on the Limitation of Armament:

Do you know that they are manufacturing cannon by the hundreds; that they are making machinery everywhere?

Now, just a word here with reference to the present financial or economic condition of Germany—the reference to the making of machinery reminds me of it. Is it as bad, notwithstanding the tremendous depreciation of the German mark, as has been depicted from time to time here in the Senate? I doubt it very much. We read in the papers that Germany is not suffering from the lack of employment of her citizens, but that everybody in Germany is at work, a condition quite different from ours just a few months ago and a condition quite different from that in Great Britain at the present day, where there are thousands, if not millions, of unemployed. If they are at work they must be producing something, and if they are producing something they must be able to find in the markets of the world a market for the surplus products which they do produce.

Mr. FLETCHER. Mr. President, may I interrupt the Senator upon that point?

Mr. STERLING. Certainly.

Mr. FLETCHER. The Senator may be able to state how much Germany has made out of Americans on the sale of her marks in this country. The statement has been made that in the sale of her marks in this country she has been paid in gold by Americans more money than the entire amount of her payments or installments on her reparations would come to at this time.

Mr. STERLING. I do not know as to the figures in regard to that, but I am obliged to the Senator for the suggestion.

M. Clemenceau further said:

The German taxpayer pays, I think, \$13—

I suppose he means the average per capita—

let's say \$14, the French \$43. There is a line in the treaty that says Germany will have to pay as high as the Allies and all the rest. And what are they preparing?

Further he said:

Now, I say, that after such a war men can not continue to fight each other; they can not fight forever. There are, after all, two Germanys. There is the Germany which is a democratic Germany, which I think could, more easily at least, be called to reason, while the others who love war have learned nothing and are preparing a revolution or civil war against their brothers just to begin the action against the European powers.

So, Senators, it is not against the German people that Clemenceau declaims. His dread is the militaristic forces in Germany that are even to-day seeking control of German affairs for the purpose of overthrowing the Republic and setting up an autocratic rule there. They little care if they bring about a civil war in Germany or precipitate a war in Europe to accomplish their purpose. Clemenceau says they are manufacturing cannon by the hundreds now.

It is rather to disabuse the mind of the idea that France is now seeking that we send an armed force to France to help defend her frontiers against German aggression that I call attention to another statement that Clemenceau makes. I do not think there is anything in the speech of Clemenceau that hints at such a thing.

Mr. BORAH. What does the Senator understand that Clemenceau means by guaranties?

Mr. STERLING. Not by an armed force. He perhaps would like to have a treaty such as was formulated and presented here to the Senate at one time between Great Britain, France, and the United States, in order that we might help guarantee France against aggression by Germany.

Mr. BORAH. That was clearly understood to be a treaty which was backed up by military force.

Mr. STERLING. Oh, in the end, of course it was.

Mr. BORAH. It is the end we are thinking about.

Mr. STERLING. But the Senator from Idaho, I think, as well as the Senator from Nebraska, sought to leave the impression that they wanted an armed force now and that that was the kind of guaranty we ought to give.

Mr. BORAH. What does Clemenceau want? He wants a treaty which is backed up by military force to enforce the German treaty. How are we going to do it?

Mr. STERLING. If necessary, we always back up treaties by military force, and if we should make a guaranty here we would be prepared to back it up by military force.

Mr. BORAH. Then, do I understand the Senator is in favor of a treaty to be backed up by military force?

Mr. STERLING. I am not declaring now that I am in favor of such a treaty.

Mr. BORAH. No; but what is the Senator's view in favor of such a treaty?

Mr. STERLING. I am not saying but that America might be justified in taking the part of France against aggressions by Germany.

Mr. BORAH. Is the Senator in favor of a treaty guaranteeing the territorial integrity of France?

Mr. STERLING. No; I am not in favor of such a treaty at the present time.

Mr. WALSH of Montana. Mr. President—

Mr. STERLING. I yield to the Senator from Montana.

Mr. WALSH of Montana. I should like to inquire of the Senator from South Dakota if he accepts the statement of M. Clemenceau to the effect that Germany is manufacturing cannon by the hundreds?

Mr. STERLING. I am not saying that I accept that statement in its completeness, but I say it corroborates the declaration made by M. Briand at the Conference for the Limitation of Armament.

Mr. WALSH of Montana. I observe that M. Clemenceau makes the statement; but it will be borne in mind that under the Versailles treaty a commission was appointed by the Allies,

which was authorized to have inspectors in Germany, to make reports constantly to their respective governments concerning whether Germany does or does not comply with the treaty.

The last official information we had upon the subject from the War Department, which was submitted here in the Senate about a year ago, was to the effect that Germany was complying with the provisions of the treaty in respect to disarmament and the manufacture of further arms. Has the Senator from South Dakota any information at all to support the statement of M. Clemenceau?

Mr. STERLING. I have not any information on the subject; I have not examined the question. I remember, however, the provisions of the treaty to which the Senator from Montana calls attention. All I wish to say is that M. Clemenceau makes the statement, and I believe that he believed it when he made it.

Mr. WALSH of Montana. Yes; but has the official inspector of any allied government made such a statement?

Mr. STERLING. Not that I know of, I will say to the Senator from Montana.

Mr. BORAH. In addition to that, Mr. Lloyd-George stated in the House of Commons, after his return from Genoa, that Germany had disarmed in accordance with the treaty.

Mr. STERLING. Further, M. Clemenceau says:

Now we are in the greatest crisis, and nobody knows when it may end. Nobody knows whether European miseries will not have some effect upon American prosperity. You announced to the world that you would set them free. You proclaimed it in the peace treaty. Then I turned to you and I told you this: Why did you make the war? Was it because you thought that you would be threatened? Was it to aid others? Was it for the liberation of suffering countries and make, as President Wilson said, democracy safe, or something like that?

And here is interjected—

[Laughter and applause.]

Mr. BORAH. Why does the Senator from South Dakota suppose that the audience laughed at that question.

Mr. STERLING. I know just as well as the Senator from Idaho knows why they laughed.

Mr. BORAH. They laughed because the gentleman who was speaking there was not in favor of democracy.

Mr. STERLING. Oh, no; I do not have that idea at all. I think they had an idea that the Versailles treaty had been a failure and that the ideals set up by the former President of the United States were not and could not have been realized. That is why they laughed, and not at all because Clemenceau was not in favor of democracy. M. Clemenceau continued:

Tell me which of these points you have gained by this war. You have come to the last point where you are granted by good fortune the time to think. Now, have you made up your minds?

Here is what I wish to call especial attention to. These are the very last words of his speech. M. Clemenceau says:

No sacrifice is demanded or exacted from you except to assert that you want to keep among the people of this world the great place that you have twice taken.

That is all, I do not believe that M. Clemenceau came here with the intention of stirring up a military spirit, Mr. President, but he wishes to be assured of the friendship of America; to be assured that for a like cause as that for which we fought before, or a cause akin to it, we shall be ready to fight again for the protection not only of our own rights but for liberty and humanity throughout the world. Those were the inspiring causes for our zeal and our ardor in taking part in the great World War.

Mr. President, I find here in the very same edition of the New York Times in which I find the speech from which I have quoted, and from which other Senators have quoted, an editorial which I believe gives a better estimate of M. Clemenceau and his relation to France and to this country, and also of the attitude of France toward this country, than has been given by the Senators who have spoken. I conclude by asking that this editorial may be read at the Secretary's desk.

The VICE PRESIDENT. In the absence of objection the Secretary will read as requested.

The reading clerk read as follows:

[Editorial from the New York Times of Wednesday, November 22, 1922.]

CLEMENCEAU'S PILGRIMAGE.

It was said of Alexander Hamilton by Talleyrand that he had "divined" Europe without seeing it. Georges Clemenceau has both seen America and lived in it; was in touch during the war with the flower of our youth and with our statesmen; so that he ought to be able to know us better than any living Frenchman. And he has already made it clear that in many ways he has accurately divined the United States. He must have foreseen the immense and overflowing personal tribute which would be paid him here. That, however, he puts aside as a mere incident of his visit. He could not have been in doubt that there would be a great emotional response by America to his splendid gesture of friendship. He understood Americans well enough to know that they would rise to greet a pilgrim who in his valiant old age came here to fling himself upon their affection and confidence. In all these respects his brightest anticipations must already have been far outstripped.

The great question was whether M. Clemenceau divined what Americans wanted to hear from him about his beloved France and her rela-

tions to this country. Here again his knowledge, his sagacity, his intuitions of the heart have been a sure guide to him. He came in no official character. He brought with him no thought of instructing America in her duty. His sole and sufficient mission was to stand up as a gallant and indomitable figure seeking truly to interpret to America the thoughts and feelings of his own people. If he could but communicate to us the emotions which filled his own breast, he felt sure that appropriate action could be left for Americans to decide upon for themselves.

In his first approaches to his self-appointed task in this country, M. Clemenceau has been most successful. Saying nothing of the overpowering ovation which he has received personally, and which he plainly regards as only secondary to his main object, his utterances have had in them a note of sincerity, of downright conviction, and of touching appeal—all quite irresistible. It is already certain that his visit will be an undoubted triumph. His alert wit, his unquenchable optimism, his confidence in American friendship, his undying devotion to the France for which he has lived and suffered and fought, make up a combination fitted to carry everything before it. At least in the person of Georges Clemenceau America is willing to pledge anew the sacred union of the years of war in and for France.

TRANSPORTATION RATES ON FARM PRODUCTS.

Mr. CAPPER. Mr. President, I wish to discuss briefly the question of transportation rates as they affect the producers of the West. I have here a letter from the chairman of the Public Utilities Commission of Kansas, setting forth in an interesting and illuminating manner the rather discouraging situation which now confronts the farmers and stockmen of Kansas, and giving in some detail facts as to transportation rates, showing beyond any question that they are out of line with the prices which the farmers are receiving at this time. I ask consent that the letter referred to, which is a very strong appeal for relief from the present distressing situation, be incorporated in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered. The letter referred to is as follows:

STATE OF KANSAS,
PUBLIC UTILITIES COMMISSION,
Topeka, September 9, 1922.

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR CAPPER: I know the attention that you have given to and your familiarity with the transportation question and your appreciation of the very great burden that the present level of rates lays upon industry. Beyond its weight upon the general public, the burden bears with peculiar force upon the agricultural industry and upon the people of the agricultural States. The products of the farm are bulky. The granary of the continent lies in the heart of the Nation requiring transportation of its foodstuffs long distances to the consuming markets.

Comment amounting to volumes has been made upon the effect of the present rates upon practically every line of business. These phases have been discussed in the public press, from the platform, in business meetings, before committees of Congress, and before the regulatory commissions to an extent that seems to make it unnecessary to add anything upon that phase of the subject here. It does seem imperative, however, to invite your attention to the general situation and the burden that the present high level of transportation rates has laid upon the country as a whole.

The increases in rates were made in 1918 and in 1920. Some adjustments have been made in the last year, but the general aspect has not changed. A brief statement of the general situation may be illuminative and interesting. All of the figures quoted here, after regarding railroad revenues and expenses, are taken from reports of the Interstate Commerce Commission and from the Bureau of Railway Economics.

The total revenues of the large railroads—that is, those having gross operating revenues amounting to \$1,000,000 per annum—beginning in 1913 are as follows:

Year	Revenue
1913	\$3,125,135,798
1914	3,047,019,908
1915	2,956,193,202
1916	3,472,641,941
1917	4,050,463,579
1918	4,926,594,000
1919	5,184,230,000
1920	6,225,417,245
1921	5,563,232,215

On the basis of current business, the 1922 revenues will not vary substantially from the figures for 1921.

In the eight years since 1913 the transportation cost to the country of handling freight, passenger, mail, and express has increased over \$2,400,000,000. If this reflected a conspicuous increase in the amount of service rendered it would be justified. If, on the other hand, it represents an increase in cost for substantially the same service, then it is, indeed, a condition that calls for the most careful thought of the Nation. That consideration may be given to this phase of the question, there is shown for your information the amount of freight business transacted during these years reduced to terms of tons carried 1 mile. In other words, ton-miles moved. Side by side with the statement of tons carried 1 mile is shown the gross freight revenue.

Year	Revenue tons carried 1 mile.	Gross freight revenue.
1913	301,398,752,108	\$2,198,930,565
1914	288,319,890,210	2,114,697,629
1915	276,830,302,723	2,037,925,560
1916	343,099,937,805	2,469,026,921
1917	394,465,400,493	2,834,119,707
1918	405,379,284,206	3,458,191,000
1919	364,025,244,000	3,556,734,000
1920	409,994,739,000	4,323,650,977
1921	306,755,332,000	3,918,699,970

From the above table it will be seen that where the ton-miles of revenue freight moved increased 1.8 per cent, the cost to the public of moving this volume of business increased 78.5 per cent.

These figures should convey some conception of the tremendous burden which business, and particularly the agricultural industry of the Nation, is carrying. Emphasizing the situation as to the freight business the following figures will illustrate the present burden laid upon the traveling public by the tremendous increase in the unit cost of passenger transportation.

From 1913 to 1921, inclusive, the passenger business of the country, reduced to terms of passengers carried 1 mile and the total amount collected for the service, is expressed below:

Year	Passengers carried 1 mile.	Gross passenger revenue.
1913	34,575,872,980	\$695,987,817
1914	35,258,497,509	700,403,353
1915	32,384,247,563	646,475,045
1916	34,213,596,127	689,626,943
1917	39,476,858,549	827,216,574
1918	42,676,579,199	1,032,671,000
1919	46,192,112,000	1,178,120,000
1920	46,847,534,000	1,287,423,443
1921	37,329,114,000	1,153,752,002

Corresponding to the relation between the increase in freight revenues and freight traffic it will be seen that while the passenger traffic of the country was increasing 8 per cent, the passenger traffic cost to the traveling public increased 65.8 per cent.

One effect of this great increase in railroad transportation costs, both of passenger and freight traffic, has been to drive the short-haul traffic to the highways of the country through the use of motor vehicles. There has been a tendency in recent years to increase railroad freight rates for short hauls even beyond the proportion in which rates have been increased generally. The effect of this is reflected in the extended and expanding use of motor trucks for freight and passenger-carrying purposes. That motor trucks are an important factor to be considered in future transportation is beyond doubt, but it is my belief that excessive railroad rates for short hauls is accelerating the rate at which traffic is moving by that method.

The Bureau of Labor Statistics of the United States Department of Labor showed the value of index commodities for 1921 as follows, 1913 being used as the equivalent of 100 per cent (as I have done in the calculation of transportation costs):

Farm products	120
Food, etc.	143
Cloths and clothing	183
Fuel and lighting	190
Metals and metal products	131
Building materials	196
Chemicals and drugs	168
House furnishings	238
Miscellaneous	158
All commodities	153

It will be seen that with all commodities at 153, and with heavy commodities like farm products, food, metal and metal products, considerably lower than that figure, that the transportation cost increases are entirely out of proportion. It must be further considered that these high transportation costs are a factor in the cost base of these index commodities.

In order to bring this illustration down to date and to give you a complete idea of the situation in which the grain farmers of the Nation, and particularly those of the Central West, find themselves, I am quoting here the average price of the three principal grains on the Kansas City and Chicago markets as of September 2, 1913, 1921, and 1922.

	1913	1921	1922	Per cent 1922 price is of—	
				1913	1921
KANSAS CITY.					
Wheat:					
September	81½	116	93½	114.3	83.9
December	86	119½	94	109.3	78.8
May	91½	123½	98½	108.1	80.1
Corn:					
September	74½	43½	52½	69.8	108.6
December	72	46½	50½	69.8	108.9
May	74	51½	54½	73.3	106.1
Oats:					
September	41½	32	31½	75.8	97.7
December	44½	36½	33½	74.7	92.7
CHICAGO.					
Wheat:					
September	86½	126½	99	114.1	78.4
December	90½	128½	101½	112.0	78.7
May	95½	132½	106½	111.8	80.4
Corn:					
September	74½	54½	59½	80.6	109.6
December	79½	54½	55½	70.0	102.3
May	72	58½	59½	82.1	100.4
Oats:					
September	41½	35½	32½	78.9	92.2
December	44½	38½	34	76.2	88.3
May	47½	42½	37½	78.1	88.5

Economic conditions are one factor in making freight rates. In other words, the value of the commodity transported is an element in determining the value of the transportation.

From preceding tables it will be observed the prices of wheat at the principal markets of Kansas City and Chicago is much below the price a year ago, although above the price of 1913. On the other hand, while the price of corn has improved slightly as against a year ago

when it was abnormally low, it is materially below the price of 1913. The price of oats at both markets is below both the 1913 prices and the prices a year ago.

Industry of every character in which transportation costs are an important factor is staggering under a tremendous load. This applies with particular force in the agricultural industry. It is imperative that relief should be given to farmers from excessive freight costs.

Very truly yours,

C. M. REED.

Mr. CAPPER. Mr. President, week after week during the present autumn the railroads of the United States have done, and still are doing, the greatest business in their history. They are doing it at an increase of 78½ per cent per ton-mile for freight, and of nearly 66 per cent per mile for passengers. During the earlier part of the year, we have it on the word of the Interstate Commerce Commission, that despite the handicap of two great strikes, the railroads have made a better financial showing for the first eight months of 1922 than for the same months of 1921.

For the moment, Mr. President, I ask you to compare these and other reports of business revival with the reported loss this season of more than half this country's fruit crop, because it cost the growers more money to ship their fruit than to let it rot. While thousands of bushels of good peaches were rotting, what housewives call "butter peaches" were selling at \$2.65 a bushel in our towns and cities.

Since then it has been the grain belt's turn to suffer, and now both the grain grower and the stockmen are catching it. Much lower prices this crop year, three years of losses, and the higher-than-war rail rates are consuming our farmers.

It is strictly true to say that for the last two years and four months rail rates on farm stuffs have been more than the traffic could bear, or should have borne, and this was never more true than at this moment. Our farmers are actually paying out money for the privilege of growing wheat and that in a time of world need of wheat. For example, when wheat was at the \$2 level a rate of 21 cents, say, on a bushel was only 10 per cent. But now with \$1 wheat that same rate absorbs 20 per cent of the sale price. This is excessive; far too excessive. Farmers can not market wheat on the margin existing freight rates require.

The grower has no voice in the terminal market for wheat, which is 50 per cent and more below the war level. At the same time the cost of producing wheat is not more than 25 per cent under the war-time figure. In 1912 and 1913, before the war, country elevators averaged 5 cents a bushel margin. That was increased until in 1921 it reached 13 cents a bushel. Add to the high railroad rates high elevator charges and low terminal markets and the burden becomes destructive.

It is a most ruinous and short-sighted policy, for in the end the railroads and the eastern manufacturer and the public are all going to suffer for every dollar of loss inflicted on the farmer. That is the inescapable economic result. I argue not that the railroads can not afford to make substantial reduction in rates but that they can not afford not to make such reductions, and speedily.

Mr. President, throughout the Nation good news is crowding the bad. Despite strikes, despite that farmers are further being crucified between still lower prices for everything they sell—lower in some instances than pre-war prices—and higher prices for everything they must buy; despite the terrible injustice of these adverse and long-continued economic conditions from which our farmers suffer; despite the now unconscionable, indefensible, and exorbitant freight rates; despite all these things we seem to be promised an early period of recuperation, to be followed, if attained, by saner price adjustments, and at last genuine good times.

Will this come to pass? I think anyone may find the true answer, Mr. President, in a brief study of the facts.

Transportation is the barometer of commerce. Although the time for the seasonal decline to set in for railroad traffic is mid-October, more widespread stimulation of business is reported this autumn by the car service division of the American Railway Association than in 1920, the peak year for railway traffic.

During the week ending October 1 the roads loaded 1,003,759 cars with revenue-producing freight, or only 1½ per cent less than the greatest week's business they have ever done.

For the week ending October 28, 1,014,480 cars were loaded with revenue freight, an increase of 10,721 cars over the week of October 21 which preceded it, and the largest number loaded during any one week in the history of American railroads except the week of October 15, 1920, which exceeded this total by only two-fifths of 1 per cent.

A new record, however, was established. In the number of cars loaded with merchandise and miscellaneous freight, including manufactured products, the week ending October 28 of this year surpassed any other week in our railway history. Not simply that; this was the fifth week in almost five successive

weeks this year that a new traffic record for this class of commodities was made. We again are witnesses, Mr. President, of the titanic struggle of our domestic commerce to come back and stay on its feet.

The Railway Age says we would break the railroads by reducing rates. It also is said in the same quarter that a reduction in rates would cripple the roads. I do not think so.

For more than a year, Mr. President, the roads have been doing a paying business in the face of two great strikes. Not a few are earning much more than their dividend requirements. According to the Dow Jones financial agency, first-class Wall Street authority, 13 great railway systems will increase their dividend rates during the next few months; one of them, the Chicago & North Western, to 8 per cent.

This year the Atchison, Topeka & Santa Fe Railway is earning about 25 per cent on its preferred stock and 13 per cent on its common. Its surplus has increased from \$35,000,000 to \$105,000,000 during the last seven years. Last year, not so good a year for the railroads as this one, the operating expenses of the Santa Fe absorbed \$80,000,000 of its earnings, it put \$84,000,000 into improvements, and added \$20,000,000 to its surplus.

This year the Union Pacific is earning 15 per cent and has a very large surplus, about \$200,000,000.

This year the Burlington is paying its stockholders a 20 per cent dividend.

This year the Louisville & Nashville contemplates a 50 per cent stock dividend, and the Reading and the New York, Chicago & St. Louis are likely to declare extra dividends or special distributions.

Still later calculations this year, based on nine months of railroad earnings, and they are highly conservative calculations, indicate that the Great Northern will earn 6 per cent for its stockholders; the Pere Marquette, 8.4 per cent; the Chesapeake & Ohio and Southern Pacific, each, 10 per cent; the Illinois Central, 14 per cent. Stock in Reading has advanced to a new high mark for the year. Central of New Jersey expects to make an extra dividend or distribution. Pennsylvania increases its dividend from 4 to 6 per cent. Norfolk & Western declares an extra dividend at the rate of 4 per cent a year in addition to its regular 7 per cent a year dividend.

The Southern Pacific earned 9 per cent last year and will do still better this year. After paying its usual dividend of 20 per cent, the Lackawanna in 1921 paid a stock dividend of 100 per cent, and is now on a 12 per cent basis. The Lehigh Valley is paying 7 per cent dividends, and earning a good deal more.

The opinion held by the Railway Age is not shared by the stock market nor the "ticker" news. The discussion in regard to lower rail rates has been going on for more than a year, and some reductions have been made; yet in Wall Street railroad stocks have risen something like 50 per cent within 12 months. If you wish to own any Union Pacific stock you must pay a premium of from \$40 to \$50 a share to get it. In the same way, to own a share of Santa Fe stock will cost you anywhere from par to \$106, and it is cheap at that. Shares in many other railroad stocks stand well up in the 90's.

These are signs, I take it, that these roads are not suffering from lack of business nor from lack of profits. We know that the valuation on which transportation charges are based is liberal. The former chief cost accountant of the United States Railroad Administration estimates that the value of all railroad property in the Interstate Commerce Commission's valuation report will not exceed \$16,000,000,000. The present rail rates are based on a property investment of \$18,900,000,000, or nearly \$3,000,000,000 more.

During all this time of railway rehabilitation we have had the prolonged and critical slump in farm prices, while the prices of manufactured goods in a great many instances have remained close to war levels. The great spread between these two classes of products, both absolutely essential to the well-being of the people, is virtually no better adjusted than it was when we set out by the deflation policy to divide everything by 2 and make that division fair and equal.

One great reason why we are not now, two years later, on a more uniformly adjusted basis as to prices and values must be apparent. We can not have a genuine readjustment of prices and values when the cost of transportation and distribution is excessively high and the rating of all other things is at comparatively lower levels.

To paraphrase a historic saying, the way to readjustment is to readjust. The next great step in the process will have to be some substantial reduction of the higher-than-war rail rates.

Preceding and during this year or more of railway prosperity the public for nearly two years and a half has paid and still is paying a bonus of a billion dollars a year to the railroads in increased transportation charges, when for months neither

the farmer nor general business in many localities has been making expenses, to say nothing of making profits.

Mr. President, I am the last man to wish to injure the railroads or to lessen their efficiency; but I see, as they do not seem to see, that we can have no economic balance, no actual readjustment, no true settling of business conditions while freight rates remain at the present peak and while farmers, who must pay freight both ways, continue to produce at a loss. Many of our farmers are being bankrupted by having to sell their products at virtually pre-war prices, then having to pay freight on them from 50 to 80 per cent higher than pre-war rates.

In other words, I contend that excessive and prohibitive freight rates will in the end more certainly prove disastrous to the railroads than certain immediate and safe reductions in rates which should be made.

Unless we are to change the whole industrial map of the United States, besides bringing ruin to many persons, my opinion is not that the railroads can not afford to make a reduction in rates but that they can not afford not to make reductions immediately.

It is an appalling but true statement that in an average good crop year, such as this has been, our farmers can not make ends meet; and I think we do not have to be told that a prosperity which does not reach the grass roots can not last. It can only be, and will be, short lived. Unless we can and will do something to put this country's biggest buyer and greatest wealth creator on its feet this new prosperity will prove as false and as delusive as "fox fire."

Except cotton, virtually all the great farm staples are not only still at uninflated prices but are deflated to points below cost of production. Corn is grown on nearly 5,000,000 of our six and one-half million farms. In many districts 80 per cent of the farmers grow wheat. Wheat is exceeded in acreage only by hay and corn. They supply "currency" to farmers. When the farmer takes his corn, wheat, hay, oats, or rye dollar to market he finds it worth about 60 cents, and, worse, competing with the middleman's and the manufacturer's 100 per cent dollar which is trying to be a superdollar. On top of this, the present rail rates on grain, grain products, hay, straw, and live stock are out of all reason.

Farmers who have survived the crushingly calamitous years of 1920 and 1921 are now entering on a third crop year of low prices, lower than the lowest, which, if amelioration is not speedily found, will put a decisive veto to any part of good times.

Wheat has always been considered by economists the regulator of prices. To-day it is probably the cheapest product in the United States—the one great world staple product which is still below the pre-war price. At the present buying power of the dollar, our farmers are only realizing between 55 and 60 cents a bushel actual money for this "price-regulating" food product. Europe will do little wheat buying, as a rule, until it is satisfied that the gamblers in the American wheat pit have "beared" the market down to the last notch.

So our farmers are double-crossed, first, by the lower values for what they have to sell and to ship; second, by the higher prices they must pay for everything they would buy. The farmer, hardest hit by deflation, working for less wages than anyone else, and getting the lowest returns, has steadily gone on producing, although he had far more excuse to strike than anybody ever had.

Secretary Wallace, of the Department of Agriculture, shows that the purchasing power of the farmer's products this year is from 25 to 45 per cent less than in 1913. That is an enormous difference. Add to this freight charges from 50 to 80 per cent higher than pre-war rates on his products, and you will have some conception of the farmer's present plight. It is appalling.

The farmer is about the only man in these United States who can not buy as much or more with his products in 1921 as he could nine years ago.

Although our farmers have had a good average crop year in 1922, they are unable to market their products for enough to maintain themselves. Many tell me of unpaid taxes on farm land. Some must see their farms sold for taxes. Many young farmers are tax-broke, and are being compelled to abandon their farms to seek work in the cities.

According to the census report, farm mortgages increased 132 per cent between 1910 and 1920; but since 1920 farmers' debts have increased tremendously, faster than ever before. The exceptions are those farmers who have abandoned their farms to their creditors to prevent increasing their debts far beyond the deflated value of their holdings.

Mr. President, the American farmer, the gamest fighter we have against adverse conditions, has almost reached his eco-

nomic last ditch. He has fought a long-continued endurance contest that has been more drastic than any other economic crisis in our history.

This is true, notwithstanding the solid work this Congress has done and that Congress has yet to do to rehabilitate the farming industry; to organize it and put it on a fair basis with all other industries; to give it an entire new suit of credit and marketing clothes that shall be roomy enough and long enough to provide for its growth and to cover its nakedness.

The benefits to come from this legislation lie in the future. What the farmer needs now to help him survive, to help him pull himself out of the hole, is a material present benefit, such as a substantial reduction in freight rates would be. No one else is so terribly hampered by excessive freight charges as he. This is particularly true of the western farmer and stockman, far removed from the big markets. The rates now in force are in many cases almost prohibitive. Every bushel of Kansas wheat, for instance, shipped to Chicago this year is sold at an actual loss to the man who produced it. These high rail rates have hit all these men doubly hard, because the farmer gets the freight added to everything he buys and pays the freight on everything he sells.

Mr. President, better times can be made to reach the farm if only we will promptly extend a little practical, righteous help in season; if we will take the higher-than-war rates off of freight charges and come down to just plain war rates. If we do not do this, let me ask, what eventually will it profit the railroads in dividends if we put the farmer completely, or almost completely, out of business?

It is true that in recent weeks the prices of farm products have turned to the upgrade and are more favorable than the figures given by Chairman Reed in this letter; but many of our farmers are still worse off financially than they were at the lowest ebb of the deflation period. The greatest thing that the Senate can do at this critical moment to assist them would be to take a stand for a prompt reduction in our still higher-than-war-time freight rates. For the roads it would be like casting bread upon the waters to share their growing abundance with their hard-driven best customer by lowering freight rates on his products. Throughout the Nation a prosperity based on a just level of transportation rates would be freely, immediately, and continually shared with the railroads.

If we are to save the situation—and this is no special plea; it vitally concerns the general welfare—let me say to you most solemnly and earnestly that the railroads must voluntarily and at once make further rate reductions; or, in default of such action, that the Interstate Commerce Commission must with utmost promptness put such rates into effect.

Mr. President, I hope to see the Interstate Commerce Committee of the Senate report favorably at an early date on my bill repealing section 15a of the transportation act—the rate-making clause. As it now stands, section 15a is fundamentally uneconomic and unsound. The first point of objection to the law felt by the western public concerns its requirement that the commission be required to make rates by groups which will give satisfactory earnings to all railroads in a given territory, whether these roads are badly located and badly equipped or whether they are properly located and kept in condition.

A second point is that the fair-return principles of the transportation act themselves should be modified to remove the influence on the Interstate Commerce Commission which now is holding back proper rate adjustments.

The clauses of the transportation act which provide for the return to the Government of these surplus earnings is nonenforceable as the law stands.

The passage of the bill now before the Senate committee will give the State railroad commissions more control over intrastate rates, which they should have. It would terminate many of the excessive charges by removing the so-called guaranty section of the Cummins-Esch Act, and so make possible the return of good times and a genuine revival of business in the only way in which they can come to stay. Those who are particularly interested in putting the farmer on his feet should at this session urge the passage of this bill or a similar measure repealing this and other objectionable provisions of the Cummins-Esch Act. Sooner or later, Mr. President, this must be done. Far better do it sooner, and so bring to an end the ruinous endurance contest which has brought our greatest prosperity maker—the farm—to the verge of ruin.

LIBERIAN LOAN.

The Senate as in Committee of the Whole resumed the consideration of the joint resolution (H. J. Res. 270) authorizing the Secretary of the Treasury to establish a credit with the United States for the Government of Liberia.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Mississippi [Mr. HARRISON].

Mr. CURTIS. Mr. President, I think I ought to say, in regard to the amendment, that it was offered at the last session of Congress, and I suggested to the Senator at the time that he withdraw it, and that it should properly go on an appropriation bill. Afterwards an item similar to the one offered by the Senator was recommended by the Interstate Commerce Commission, approved by the Bureau of the Budget, placed on the last deficiency appropriation bill by the Committee on Appropriations, and voted on by the Senate. When it went to conference, however, the House conferees refused to agree to the amendment, and it was eliminated from the bill. At that time I told the Senator from Mississippi that if the amendment was not agreed to in conference, I, as one Senator, would not oppose it on this measure. I want to state to the Senate now, that so far as I am personally concerned, I shall not oppose the amendment but shall vote for it.

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

Mr. OVERMAN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Gooding	Nelson	Stanfield
Bayard	Hale	Nicholson	Stanley
Borah	Harris	Norris	Sterling
Calder	Harrison	Overman	Sutherland
Cameron	Heflin	Page	Swanson
Capper	Hitchcock	Pepper	Trammell
Caraway	Jones, Wash.	Pittman	Wadsworth
Cummins	Kellogg	Pomerene	Walsh, Mass.
Curtis	Keyes	Rawson	Walsh, Mont.
Dial	Ladd	Reed, Pa.	Warren
Edge	La Follette	Sheppard	Weller
Ernst	McCumber	Shortridge	Willis
Fletcher	McKellar	Simmons	
George	McKinley	Smoot	
Glass	McNary	Spencer	

The VICE PRESIDENT. Fifty-seven Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. HARRISON].

Mr. SIMMONS. Mr. President, I have no disposition to delay a vote upon the pending joint resolution, although I am very much opposed to the measure; but I think it will be well to place in the RECORD a statement of the essential facts with reference to this proposed loan to the Republic of Liberia. Some of these facts may have been placed in the RECORD in the discussions we had upon the subject during the last session, and it may be repetition to put them in again, but there are certain facts connected with it which I do not think have yet been incorporated in any of the speeches or documents which have found lodgment in the CONGRESSIONAL RECORD.

I think there is some vagueness of thought with reference to the proposed loan by the United States, and I think a review of the circumstances connected with the matter will disclose that there is neither a legal obligation on the part of this Government to make this loan by reason of anything which has heretofore transpired, nor any moral obligation. If there is a moral obligation at all, it is very vague and uncertain, and to recognize it, under the circumstances, would set a precedent which would be exceedingly dangerous.

The only authority lodged in the executive branch of the Government with reference to extending credit or making loans to foreign governments, so far as I know, is that contained in the second Liberty loan act, which was approved April 24, 1917. That provision is as follows, and I read it because I want it to go in the RECORD:

That for the purpose of more effectually providing for the national security and defense and prosecuting the war by establishing credits in the United States for foreign governments, the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase, at par, from such foreign governments then engaged in war with the enemies of the United States, their obligations hereafter issued, bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act; to enter into such arrangements as may be necessary or desirable for establishing such credits and for purchasing such obligations of foreign governments and for the subsequent payment thereof before maturity, but such arrangements shall provide that if any of the bonds of the United States issued and used for the purchase of such foreign obligations shall thereafter be converted into other bonds of the United States bearing a higher rate of interest than 3½ per cent per annum under the provisions of section 5 of this act, then and in that event the obligations of such foreign governments held by the United States shall be, by such foreign governments, converted in like manner and extent into obligations bearing the same rate of interest as the bonds of the United States issued under the provisions of section 5 of this act.

I will not read all of it. The part I omit relates only to the amount authorized by the act. Then comes the proviso:

Provided, That the authority granted by this section to the Secretary of the Treasury to purchase bonds from foreign governments, as aforesaid, shall cease upon the termination of the war between the United States and the Imperial German Government.

Mr. President, under authority of that act, in October, 1918, the Secretary of the Treasury did what he designated as establishing a credit in favor of the Government of Liberia upon the books of the Treasury, but with the understanding that that credit should not be available until the Government of Liberia complied with certain specified terms and conditions.

Before that time, on September 24, 1917, Liberia had declared war against Germany, and became by virtue of that act entitled to ask and receive credit from the United States under the authority of the act which I have read. But Liberia never did, up to the time of the actual close of the war, which was in November, 1918, comply with the terms upon which she was to have the loan. Neither did she comply with those terms up to the time when the end of the war was technically declared, which I think was in July, 1921, when the President issued his proclamation, as provided in the act, declaring that the war with Germany was at an end. There is no pretense anywhere, so far as the record discloses, that Liberia in July, 1921, had complied with the terms and conditions upon which the loan was to be made when all pretense of war and war conditions had long since passed.

Subsequently to that time and during the month of October, 1921, Liberia through her representatives entered into an agreement with the Secretary of State providing for the loan. It is presumed that she had complied with all of the conditions and requirements of the original proposition. But, however that may be, Mr. President, the fact is that the new agreement, which the Secretary of State is now asking the Congress to carry out, was a cancellation, if indeed the failure of Liberia to comply before the termination of the war was not a cancellation. In legal effect at least it was a cancellation of the original understanding, and the legislation which we are now asked to enact is legislation based upon the new agreement made between the Republic of Liberia and the executive branch of our Government. There can be, in my opinion, no pretense that the United States was under any moral obligation by virtue of the fact that in 1918 a credit was extended to Liberia upon the books, to be made available upon the performance of certain conditions, which were never performed while the act under which the credit was extended was in operation. The agreement we are now asked to ratify is an agreement made after the authority under the act by which the proposed credit was to be extended had expired by limitation of law.

If the loan is to be made, it must be made and it must stand, not upon the understandings and the conditional agreements which were entered into by Secretary McAdoo at a time when he had the right and authority to make them, and which authority expired in July, 1921. It must rest not upon that act nor anything that transpired in connection with that proposed extension of credit, but must rest upon the agreement made by the Secretary of State and concurred in by the Secretary of the Treasury in October, 1921, after the act giving authority to extend loans to foreign governments had expired and at a time when admittedly there was no authority to extend the loan except with the affirmative approval of Congress.

It is because of those facts that Congress is now asked to pass the joint resolution. It is because it is recognized that there was no authority in law to make the agreement with the Republic of Liberia that we are now asked to enact the legislation.

Again, Mr. President, I call attention to the fact that the power of the Secretary of the Treasury under the second Liberty loan act to make the foreign loans and extend the credit was limited to purposes connected with the prosecution of the war. So that unless the money that is now proposed to be loaned is to be used for the discharge of some of the indebtedness which occurred in the prosecution of the war and in Liberia's participation in the war, there are two reasons why the loan can not rest, either upon legal or moral grounds, upon the agreement made or the understanding had by the Secretary of the Treasury in 1918. First, as I have said, because the power under that act expired before the conditions upon which the credit was to be extended were complied with, and, secondly, because I think it can be shown and appears in the record that the money was not borrowed for any purpose connected with the war.

Mr. NORRIS. Mr. President—

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

Mr. SIMMONS. I yield.

Mr. NORRIS. The Senator stated a moment ago, and correctly, I think, as I understand the situation, that the theory under which the loans were to be made—and it was undoubtedly

the thing that Congress had in mind when it passed the act authorizing the making of them—was that the money should be used in carrying on the war against the common enemy. That being true, I wish to ask the Senator—and I am asking for information, because I have not been able to hear the debates which have thus far taken place—if at the time Liberia declared war against Germany there was not an understanding of some kind, either written or unwritten, that the United States would loan her this money if she would declare war against Germany? In other words, did not the Liberian Government have a tacit understanding with the American Government that if Liberia would declare war against Germany we would loan her this money?

Mr. SIMMONS. I answer the Senator unhesitatingly in the negative. There was no such understanding so far as the record discloses. Liberia declared war in September, 1917. The proposed credit extension was in October, 1918, more than a year afterwards.

Mr. NORRIS. I understand that it is not disclosed upon the face of the record, but I was wondering why Liberia declared war against Germany unless she did have such an understanding.

Mr. SIMMONS. I think I can enlighten the Senator. I believe it is a fact that the United States, through the President, did suggest to Liberia that it would be in her interest, as well as in the interest of the opponents of the Central Powers, if she would declare war against Germany, and for a reason which addressed itself more particularly to the advantage to be derived by Liberia than to any advantage accruing to the Allies. The Allies were not particularly interested in Liberia declaring war. She is a little Republic. There are few more than 2,000,000 people there, and less than 60,000 of them are civilized. But the Government of the United States has always manifested a sympathetic interest in Liberia. It is a Republic which had its origin in the immigration of American negroes to that country. The United States was interested in that country. Great Britain controlled the seas. Great Britain in 1917 was placing her interdiction upon the commerce of nearly every country in the world. She was interfering with our commerce. She was interfering with Germany's commerce with Liberia, and Liberia's trade relations with Germany at that time were very close. By reason of this action on the part of the British Government Liberia was unable to continue those trade relations with Germany. Having been cut off from her main source of traffic and international trade, Liberia was rapidly getting into a state of great economic disorder and distress, and the United States, for the purpose of advancing her interests, and because of sympathy with that Republic, suggested to her that she declare war against Germany and thereby make it possible for an interrupted intercourse with other countries to continue.

Mr. NORRIS. Then, as I understand, the suggestion really came from former President Wilson, and was made for the purpose of helping Liberia rather than of obtaining any material assistance for the Allies in the World War?

Mr. SIMMONS. It was a great help to Liberia.

Mr. NORRIS. Yes. So, in order to get the money—

Mr. CURTIS. Mr. President—

Mr. NORRIS. If the Senator will permit me first to finish with the Senator from North Carolina—

Mr. CURTIS. Certainly.

Mr. NORRIS. Liberia declared war; and then the United States Government did not give her the money. I suppose, having declared war and gone to the expense that is incident to war and having her army and navy into the war in order to help us win it—

Mr. SIMMONS. Liberia did not have any army.

Mr. NORRIS. Does the Senator think it is quite right now, when Liberia probably needs the money in order to pay pensions to her soldiers and their widows, that we should refuse to carry out an agreement which we ourselves had suggested?

Mr. SIMMONS. Mr. President, the Senator's humor is delightful. Liberia undoubtedly had a great army and a great navy, and undoubtedly a great many of her soldiers participated in the war in Europe, or, at least, the Senator's argument is based upon that theory. As a matter of fact, Mr. President, Liberia took no part, and was not in a condition to take any part, in the World War. Her declaration of war against Germany merely relieved an embarrassing international situation.

Mr. NORRIS. If it be true that Liberia did not take any part in the war, was it not really a perversion of the act of Congress for a President of the United States to suggest to a country that, for her own benefit, when she, in reality, could not help any in the war, she should declare war and thus get some of our money?

Mr. SIMMONS. Mr. President, I do not think there is anything to sustain the idea that we promised to give Liberia money if she would declare war; I have never before heard that suggestion; but after Liberia did declare war, a year after—it is true that Secretary McAdoo did; why he did it I do not know; I am not here for the purpose of arguing that, because I think it is irrelevant to the issue now before us—Secretary McAdoo did agree, under certain conditions, to extend Liberia certain credits. Those conditions were never complied with; the act under which the Secretary made the agreement or contract, if it may be so called, expired, and authority to make the contract fell with it. Then the present Secretary of State took up the matter and entered into a new agreement with Liberia, recognizing that he had no authority to do it, and he is now asking Congress to give him authority to do it.

As I said before, the question, then, is, Shall we give this authority; and if so, why shall we give it? If the obligations to discharge which she desires to use the money were obligations incurred by her during the World War on account of any assistance she rendered or attempted to render to the Allies in the prosecution of the war, there might be some reason why we should take the course which is now recommended by the Secretary of State and help this little Republic to relieve herself of the burdens assumed in the interest of the Allies in that great struggle; but, Mr. President, an examination of the record shows that this money is not to be lent and is not to be used for any such purpose.

I wish to inform the Senate exactly the purpose for which this money is to be used. It is actually proposed to create a commission to be composed of a number of high-salaried officials, with all the retainers, experts, clerks, and accountants, probably, which are incident to such commissions which we put in charge of the financial affairs of weaker governments, as in the case of Haiti, because we do not think they are able to administer them fairly and justly and equitably themselves. Nobody knows what that commission will cost, but this proposed act provides for a commission to supervise the expenditure of this money and to collect the interest upon it, I assume, by controlling the customhouse and probably collecting or supervising the collection of local taxes, as in the case of Haiti. Here are the purposes for which this money is to be expended. The statement which I shall now quote will be found on page 125 of the hearings before the Ways and Means Committee of the other House, and shows how the larger part of the \$5,000,000 is to be used:

3. Two hundred and thirty-three thousand dollars, or such less amount as shall be sufficient to enable the Government of Liberia to pay its internal funded debt, and the interest due thereon.

4. Three hundred and fifty thousand dollars, or such less amount as shall be sufficient to enable the Government of Liberia to pay its internal floating debt.

5. One million six hundred and fifty thousand dollars, or such less amount as may be necessary for the purpose of enabling the Government of Liberia to purchase or redeem all of its bonds now issued and outstanding, representing the 5 per cent sinking fund gold loan, due July 1, 1952, under the agreement for refunding loan dated March 7, 1912, between the Republic of Liberia, of the first part, and J. P. Morgan & Co., Kuhn, Loeb & Co., the National City Bank of New York, and First National Bank of New York, acting for themselves and for Robert Fleming & Co., Banque de Paris et des Pays Bas, M. M. Warburg & Co., and such payments of interests, costs of notices, and other payments or deposits, as well as payments which may be due from the Government of Liberia, under the fiscal agency agreement dated March 7, 1912, between the Republic of Liberia, of the first part, and the National City Bank of New York, of the second part, as shall be necessary to terminate all obligations of the Government of Liberia under all of said bonds or under the agreement for refunding loan or the fiscal agency agreement above mentioned, as shall entitle the Government of Liberia, in accordance with the terms of said agreement, to the cancellation and destruction of all said bonds held by the fiscal agents in the sinking fund mentioned in said agreements. Advances for this purpose shall be made at such times and in such amounts as shall be determined by the Secretary of State of the United States. It is understood that the Secretary of State of the United States may determine the best method for acquiring part or all of the aforesaid bonds, but in no event shall more than par and accrued interest be paid therefor.

6. Such amounts as may be necessary to enable the Government of Liberia to make improvements in transportation and communication facilities, sanitation, and other public works, in accordance with plans which shall have received the approval of the financial commission.

Mr. NORRIS. From what is the Senator from North Carolina reading?

Mr. SIMMONS. I am reading excerpts from the report of the hearings of the Ways and Means Committee of the House.

Mr. NORRIS. But the very nature of the testimony which the Senator is reading shows that it is taken from some agreement.

Mr. SIMMONS. Yes; I am reading excerpts from the agreement of October 28, 1921.

Mr. NORRIS. That is an agreement between our Government and Liberia?

Mr. SIMMONS. Yes, sir; that is the agreement I am talking about; the agreement entered into by Secretary Hughes.

Mr. NORRIS. That is the agreement which provides how the money shall be used?

Mr. SIMMONS. Yes; that is the agreement which Secretary Hughes has made with the Liberian Government, and this loan is to be made, according to this agreement, for the purpose of paying these old debts of Liberia, practically all of them antedating the World War. All of the debts due to big New York bankers and corporations run back as far as 1912.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. SIMMONS. I yield.

Mr. WALSH of Massachusetts. I was going to state for the record, in answer to the Senator from Nebraska, that the quotation which the Senator from North Carolina has read is from a copy of the "Financial plan and depository agreement signed by the Secretary of State and the Liberian Plenary Commission on October 28, 1921."

Mr. SIMMONS. Yes; I stated that. What I read were simply excerpts from that agreement, incorporated in the hearings before the Ways and Means Committee.

Mr. OWEN. Was the agreement made in 1921?

Mr. WALSH of Massachusetts. On October 28, 1921, the agreement was made by the Secretary of State and representatives of the Liberian Government, which agreement was not to become effective until action by Congress by resolution or bill.

Mr. OWEN. So that the agreement was entered into three years after the war.

Mr. SIMMONS. Three years after the war actually closed, and several months after the President of the United States declared by a proclamation that the war with Germany was at an end. So there can not be any contention that this agreement has any authority under the second Liberty loan act or any other war measure.

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

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

Mr. SIMMONS. I yield.

Mr. SMOOT. Do I understand the Senator to claim that there was not a moral obligation to advance this money carried over from the former administration, and that Secretary Hughes honored that moral obligation?

Mr. SIMMONS. The Senator was not here when I was discussing that phase of the question.

Mr. SMOOT. No. I ask the question because of the question asked by the Senator from Oklahoma [Mr. OWEN]. The fact of the case is that there was a moral obligation.

Mr. SIMMONS. I have already gone over that, and I dislike very much to have to go over it again, but I will do so if it is desired. There was no moral obligation.

Mr. SMOOT. I will not ask the Senator to do so.

Mr. SIMMONS. I stated that in my judgment there was no moral obligation, as there clearly is no legal obligation, on the part of the United States to lend this money. There was an agreement undoubtedly made during the war by Secretary McAdoo that he would extend—that is as far as it went—to the Republic of Liberia a certain credit whenever that Government complied with certain terms and conditions. That agreement was made in 1918; and in 1921, when the President declared by proclamation that the war was ended, Liberia had not complied with those terms. There was no pretense that she had complied with those terms; and the war which the loan was to be made to aid, as the country understood and as I have no doubt Secretary McAdoo understood, had ended. If Liberia needed it for the purpose of helping in the prosecution of the war—and the Secretary of the Treasury, upon the face of the act conferring authority, had no power to grant credit unless it was for the purpose of helping in the prosecution of the war—what moral claim can she lay to it when she waits to comply with the conditions until after the war has been fought out and won and declared finally at an end?

Mr. OWEN. Mr. President—

Mr. NORRIS. But she was in the war all the time, the Senator must remember, and helped to win it. We probably would not have won it if she had not come in. The Senator ought not to forget that.

Mr. OWEN. Mr. President, does the Senator from North Carolina yield to me?

Mr. SIMMONS. I yield to the Senator from Oklahoma.

Mr. OWEN. I wish to remind the Senator from North Carolina that at that time the then Secretary of the Treasury, now the junior Senator from Virginia [Mr. GLASS], expressly stated to the Department of State that there was no moral obligation. I think that is in the record, and I think the Senator from Virginia stated that on the floor of the Senate.

Mr. SIMMONS. The Senator is right. I was going to read that statement. That statement was made, as I understand, in connection with a letter written to the then Secretary of the Treasury, now the Senator from Virginia [Mr. GLASS], by Mr. Lansing. The Senator from Virginia said—and I quote from his speech made in this Chamber discussing this very question—speaking of Secretary Lansing's statement:

Mr. President, it is that statement of the Secretary of State which I desire to repeat I did not accept. I totally dissented from that view.

The Secretary had expressed the opinion that there was a moral obligation.

Not only that, but I thought the \$26,000 which had already been advanced to Liberia was the only item in all of the credits established by this Government that could not be justified.

Mr. President, I do not know what information was before Secretary McAdoo when he agreed to extend this credit, but I know this: Secretary McAdoo is a great lawyer. I know that Secretary McAdoo was entirely familiar with the act from which he derived his power, and I know that Secretary McAdoo in all probability would not have agreed to extend that credit to Liberia except upon the understanding that it was to be used by her in connection with the prosecution of the war, because that was the limitation upon his power; and I know the further fact, Mr. President, that notwithstanding this money was there, ready to be lent by the Secretary when Liberia complied with the ordinary conditions which were exacted of her and other foreign Governments seeking loans, she let the matter rest until the war had ended and until another administration had come into power and formal peace had been declared; and then she comes here and asks for the money, not for the purpose of aiding in the prosecution of the war, not for a purpose in which the United States has an interest, but for the purpose of paying her old debts, contracted in 1912, in favor of J. P. Morgan & Co. of New York, Kuhn, Loeb & Co. of New York, M. M. Warburg & Co. of New York, and the National City Bank of New York. This resolution would better be entitled, Mr. President, "a joint resolution to pay a bad debt of an insolvent debtor of J. P. Morgan and Kuhn, Loeb & Co.," rather than to relieve the downtrodden and distressed Republic of Liberia.

Mr. McKELLAR. Mr. President—

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

Mr. SIMMONS. I do.

Mr. McKELLAR. I think the facts would justify an amendment to the Senator's proposed title to this joint resolution, in addition to what he has said, and this is, to create additional jobs for a number of those who want them.

Mr. SIMMONS. Oh, yes; there are jobs aplenty in this proposition. Of course, when we went down here into Haiti—

Mr. McKELLAR. There are more, I think, in this measure than have been provided for in any other measure of like kind in recent years.

Mr. NORRIS. Well, we need the jobs, all right, Mr. President. That ought to be offered as another argument in favor of it. There are lots of fellows who are going to need jobs.

Mr. SIMMONS. I concede that. I concede that Republicans are at all times in need of Federal jobs.

Mr. NORRIS. Yes; and occasionally a Democrat.

Mr. SIMMONS. But just at this particular time, when the Republican Party has a superabundance of lame ducks on its hands, it is most particularly and especially appropriate to make places for them.

Mr. NORRIS. Is not that a good reason for making places and having some more jobs available?

Mr. SIMMONS. The Senator is exactly right, as he generally is.

The loan agreement provides that a commission of American citizens at high salaries shall go to Liberia and act as fiscal agents. How many retainers and employees this commission will have to have nobody can tell. During the war Liberia had apparently abandoned all of this scheme. She let it lie dormant while the war was going on, and for three long years did not make a move to get this money, although it was there awaiting her. As long as the old administration remained in power there was not an effort to get this money. Now, however, she comes here and asks for it; and when it becomes necessary for her to lay her cards upon the table and show what she wants with it—the war meantime having expired and Liberia not having pressed her claim for the money while the war was going on—when she is asked to say what she is going to do with the money, she says, "I want it to enable me to pay debts which I owe these New York bankers and which were contracted in 1912."

Mr. NORRIS. Mr. President, the Senator has said that this measure will provide a whole lot of jobs for lame ducks, and yet

he seems to criticize Liberia for not crowding her claim and getting her money while the Democrats were still in power.

Mr. SIMMONS. We did not have any lame ducks when we were in power.

Mr. NORRIS. Yes; you had a whole lot of them just after you went out of power.

Mr. SIMMONS. That was after we went out; not while we were in.

Mr. NORRIS. If you were not shrewd enough to get these jobs for your lame ducks, you ought not to complain now because we are going to get them for our lame ducks.

Mr. SIMMONS. I have no doubt that you are going to get them. You have an immense mass of legislation pending here right now to make jobs for your lame ducks.

Mr. NORRIS. Well, we need it.

Mr. SIMMONS. I know you do. I appreciate your situation. I have profound sympathy with you, and I should like to help you all I can; but I do not think you ought to ask a distressed and overtaxed people to furnish the money with which to give employment to your lame ducks.

Mr. NORRIS. It seems to me the Senator is really feeling badly because it was not gotten in time. He seems to complain that Liberia did not get this money of Democrats, and is now going to get it of Republicans. You missed your opportunity. We picked it up. Your lame ducks had to go without jobs, and we are going to do better with ours.

Mr. SIMMONS. During the Democratic administration the tide of prosperity in this country ran so high that it was difficult to get a man to take a Federal job. The men were making so much money, every man was so busy carrying on his business enterprises, the tide of prosperity was so high, that nobody wanted these offices. Lame ducks could just step right down the street and get employment at a better salary than the Federal Government was paying. The Federal Government was not paying one-fourth as much as some business enterprises in this country were paying for the same talent.

Mr. NORRIS. No. In other words, the country was full of profiteers, and they did not need jobs.

Mr. SIMMONS. Yes; we had profiteers, as we have profiteers now. Good times will make profiteers. Bad times generally dispense with profiteers to a certain extent, and that is the reason why you passed your tariff bill—in order to give the profiteers another opportunity.

Mr. NORRIS. The profiteers were getting hard up. Since the Democrats went out of power they had lost their occupation, and it took a tariff bill to give it back to them.

Mr. SIMMONS. I give it up, Mr. President.

Mr. CURTIS. Mr. President, I think it only fair to state to the Senate—I think the Senator from North Carolina wanted to be fair, but he has forgotten—that it is admitted on all sides, in the departments at least, that Liberia entered the war at the request of the United States, Great Britain, and France. At the time she entered the war 85 per cent of her business was being done by the Germans. They virtually had control of the islands, and they had control of the wireless station. They were controlling some of the exports which the British Government and the other allies needed; and the three powers wanted Liberia to go into the war to help them, or, rather, not to be of any assistance to Germany by reason of the use of the wireless station and the cutting off of Great Britain from the use of some of the products of the country.

Liberia declared war against Germany in August, 1917. In January, 1918, this loan was asked for. In July it was recommended by the Secretary of State and approved by the President, and Liberia was notified that she had been given credit to the extent of \$5,000,000. France was notified that the credit had been established. Great Britain was notified that the credit had been established.

It is true that with the proposition notifying the Liberian Government there were submitted certain conditions upon which this loan was to be made. Those conditions were unsatisfactory; but we are told by the department that they continued to ask for changes in those conditions and to ask for the advancement of the money. That is stated in letters from the department.

I am not going all over this matter again, because I covered it fully before; but Secretary Lansing says there is a moral obligation to make the loan. Secretary Hughes, when this matter was presented to the committee of the House, stated that there was a moral obligation to make the loan. The bill has passed the House and is here with a favorable report from the committee, the committee believing that there was a moral obligation on the part of the Government to carry out the agreement made during President Wilson's administration, and it is

on that question we are asking for a vote. I am not going to take any further time.

Mr. McKELLAR. Mr. President, I am opposed to the pending joint resolution and expect to vote against it. I do not think there is the slightest moral obligation on the part of the United States to make this loan. It is admitted that there is not the slightest legal obligation on the part of the United States to make the loan. Under the terms upon which it is going to be made, if made, it will not do the people of Liberia any good. Why? There has been an agreement made by the State Department with Liberia concerning the disposition of the money. We are to lend them \$5,000,000. This agreement will give Liberia little money. I want to read what is to become of two million of it:

(b) A new arrangement for that purpose shall be made between the Government of Liberia and the Government of the United States.

3. Two hundred and thirty-three thousand dollars, or such less amount as shall be sufficient to enable the Government of Liberia to pay its internal funded debt and the interest due thereon.

4. Three hundred and fifty thousand dollars, or such less amount as shall be sufficient to enable the Government of Liberia to pay its internal floating debt.

5. One million six hundred and fifty thousand dollars, or such less amount as may be necessary for the purpose of enabling the Government of Liberia to purchase or redeem all of its bonds now issued and outstanding representing the 5 per cent sinking-fund gold loan, due July 1, 1952, under the agreement for refunding loan dated March 7, 1912, between the Republic of Liberia, of the first part, and J. P. Morgan & Co.; Kuhn, Loeb & Co.; the National City Bank of New York; and First National Bank of New York, acting for themselves and for Robert Fleming & Co., Banque de Paris et des Pays Bas; M. M. Warburg & Co.; and Hope & Co., and for others, of the second part, including such payments of interest, costs of notices, and other payments or deposits, as well as payments which may be due from the Government of Liberia under the fiscal agency agreement dated March 7, 1912, between the Republic of Liberia, of the first part, and the National City Bank of New York, of the second part, as shall be necessary to terminate all obligations of the Government of Liberia under all of said bonds or under the agreements for refunding loan or the fiscal agency agreement above mentioned, as shall entitle the Government of Liberia in accordance with the terms of said agreement to the cancellation and destruction of all said bonds held by the fiscal agents in the sinking fund mentioned in said agreement. Advances for this purpose shall be made at such times and in such amounts as shall be determined by the Secretary of State of the United States. It is understood that the Secretary of State of the United States may determine the best method for acquiring part or all of the aforesaid bonds, but in no event shall more than par and accrued interest be paid therefor.

Evidently nearly \$2,000,000 of this money is to be used in taking up bonds and other obligations which apparently, according to this agreement, have been acquired in some way by certain banking firms in New York. In other words, these gentlemen in New York have made an investment in Liberia and the United States is going to make that investment good. That is the real purpose of this bill. It comes here after the war. It is presented here under the excuse that we owe a moral obligation to Liberia for her aid to us in helping win the World War. It is ridiculous to talk about Liberia helping the United States to win the World War, and our having a moral obligation to lend them this money on account thereof. We call it lending, but what is really meant is to give to the people of Liberia, or to the Government of Liberia, this \$5,000,000 for such purposes.

Mr. NORRIS. Mr. President, neither the Senator from Tennessee nor the Senator from North Carolina has given us any information as to who is the owner of the two first amounts the Senator read. Can the Senator give us any information in regard to that?

Mr. McKELLAR. I can not. I sent to the House for the hearings, and I was informed that they had been destroyed. That was the report I received. I do not understand why these hearings were destroyed. It is possible there may be some of the hearings in the possession of other Senators, but I have been unable to get a copy of the hearings, and I am reading from the hearings as quoted in the Record some time ago.

I do not think it is obligatory upon the United States to make good these loans of these various banking firms in New York City. I do not think we have a right to. There is much talk about moral right. We have no moral right to dispose of the people's money in any such way. I owe debts, and other Senators owe debts, I have no doubt, which we would be very glad indeed to have the United States Government pay for us. Some of us have bad debts due to us, and we would be very glad to have the Government lend our debtors the amounts of money so that they could pay us. But we all know that the people's money should not be used for such a purpose. That is what we are asked to do by this bill. Do not let us fool ourselves for a moment. That is precisely what we are asked to do with \$2,000,000 of the people's money. We are to make good to these firms in New York who may have bought these bonds. We do not know what they paid for them. We do not know whether they paid 10 cents on the dollar, or 20 cents on the

dollar, or 50 cents on the dollar for them. I can only say that if they paid over 10 cents on the dollar for them they were very poor business men, because the revenues of Liberia do not warrant the paying of any more than that for Liberian bonds.

What becomes of the other three million? I doubt very much whether it goes to the people of Liberia. If the people of Liberia get any money under the so-called moral agreement we will have to appropriate sums in the future for them. It can not come out of this appropriation.

Let us see to whom it is to go.

The Government of Liberia further engages—

That is, engages with our Government under this proposed agreement—

1. That, for the purpose of securing the United States loan, the control during the life of the United States loan of the collection—

During the life of it. I do not recall how long this loan is made for. We will see about that in just a moment. It does not say. There is no time given for paying it back. They do not expect it to be paid back. There is not a man who votes for it who expects this loan will ever be paid back. It is substantially and effectively nothing more than a gift. We all know it is a gift.

Mr. CURTIS. Mr. President, the Senator is not warranted in making that statement. I do not think there is a man who is going to vote for the measure who does not believe the money will be paid back. There is no one who does not know that there is sufficient property in Liberia to pay it back. When the Senator says there are no revenues in Liberia to justify this loan he forgets that when the agreement was made the revenues of Liberia amounted to nearly \$500,000, and they dropped off during the war period to \$200,000.

Mr. MCKELLAR. The hearings as quoted here do not bear out the statement of my distinguished friend.

Mr. CURTIS. I have the official figures, if the Senator wants them put in the RECORD.

Mr. MCKELLAR. I will put them in the RECORD. I call the attention of the Senator to the joint resolution itself. It provides that the Secretary of the Treasury "is hereby authorized to purchase from that Government its obligations hereafter issued, bearing such rate or rates of interest, maturing at such date or dates, and containing such terms and conditions as the Secretary may from time to time determine."

What are we buying? These bonds can bear 1 per cent or they can bear no interest at all. Any disposition can be made of them, and we all know that it is a gift, absolutely a gift, two million of it going to these bankers in New York, who would no doubt like to have the money on the bonds they have invested in heretofore; the remainder of it not going to the people of Liberia, but I now call attention to those to whom it will go:

That, for the purpose of securing the United States loan, the control during the life of the United States loan—

During the life of the loan; and the loan is virtually made perpetual. We are establishing offices here which will remain long after all of us are dead and gone, and then other generations which have come will go, and these offices and these payments and these officials will still go on. I repeat:

The Government of Liberia further engages:

1. That, for the purpose of securing the United States loan, the control during the life of the United States loan of the collection, application, and administration of all the assigned revenues and receipts in accordance with the present plan shall be vested in the financial commission, the administration of which shall be under the direction and control of the financial commissioner or, during his absence, of the next ranking member of the financial commission. The financial commission shall be composed of a financial commissioner, at a salary of \$15,000 per annum; a deputy financial commissioner, at \$10,000 per annum; an auditor, at \$6,000 per annum; three administrative assistants of class 1, at \$6,000 per annum, to be assigned, respectively, as controller general of customs, commissioner general of the interior, and director general of sanitation; 10 administrative assistants of class 2, at \$4,000 per annum, to be assigned, respectively, as follows: Three controllers of customs, three district commissioners, two technical advisers (roads and ports), an accountant, and an agricultural adviser; and two administrative assistants of class 3, at \$3,000 per annum, to be assigned, respectively, as follows: One postal-revenue officer and one clerk assistant. All members of the financial commission shall be designated by the President of the United States, to serve during his pleasure, and shall be appointed by the President of Liberia. The administrative assistants shall be under the direction and supervision of the financial commission, which shall be organized and function according to methods of procedure to be approved by the Secretary of State of the United States.

The financial commissioner, the deputy financial commissioner, and such other members of the financial commission as may be charged with the collection, application, or administration of moneys under the provisions of the present plan shall give adequate bond. All premiums on bonds executed by the aforesaid officials shall be considered a part of the expenses of the financial commission.

Mr. SIMMONS. May I ask the Senator a question?

Mr. MCKELLAR. Certainly.

Mr. SIMMONS. Does not the Senator believe that an official force of the size indicated by what he has read from the RECORD would cost the Government every year something like a third or a half of the total amount of this loan?

Mr. MCKELLAR. With this tremendous corps of assistants and officers, the people of Liberia will never get any advantage out of this loan at all, and I doubt if they will be able to tax themselves enough to pay the deficit in salaries, if they have to pay the deficit, to our own appointees. I do not know what the facts are about that.

Mr. CURTIS. Mr. President, with the Senator's permission, I would like to put the exact figures as to the revenues into the RECORD.

Mr. MCKELLAR. I hope the Senator will, because I was just coming to that.

Mr. CURTIS. In 1913 the revenues were \$485,639. They dropped in 1917, during the war, to \$163,000. They went back in 1920 to \$346,000.

Mr. MCKELLAR. In 1920 and 1921 they amounted to \$163,000. That would not anything like pay the interest. It would not pay the interest on what we turn over to them. That would not pay the interest on the salaries we are going to pay our own officers for looking after it.

If we pass the pending joint resolution we will make ourselves the legislative laughingstock of all the legislative bodies of the world and pay out the money of the already overburdened taxpayers for a purpose for which we have no moral right to appropriate it. It is a measure which should not receive a single vote in this body. There is not the sign of a legal obligation on us to make the loan.

There is not a sign of a moral obligation upon us to make the loan and it is being done only for the powerful interests in New York which are demanding that they be given this opportunity to filch from the Public Treasury the amount that Liberia owes to them, and the purpose also of the resolution is to give jobs to a lot of needy men, no doubt. I have no doubt the men need the jobs, and if we are in the business of creating jobs for the benefit of the favored few, let us go on and pass the measure, but I think we will be called to account by the American people for this great and unauthorized and indefensible waste of the people's money for any such purpose.

Mr. DIAL. Mr. President—

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

Mr. MCKELLAR. I yield.

Mr. DIAL. Have we had a very happy experience in collecting what we loaned to other governments? Should our experience in those instances encourage us to lend to the Government of Liberia?

Mr. MCKELLAR. The Senator is exactly right. I have heard distinguished Senators on this floor say that they were utterly opposed to the collection even of the interest on the war debts from such nations as Great Britain, France, and Italy. What will those Senators say when it comes to collecting this debt from the poor people of Liberia? By the way, it can not be urged here that the measure is for the benefit of the people of Liberia, because it is not. The people of Liberia are not going to get anything out of it. The only people who will get anything out of the appropriation made under the pending measure are the financial interests in New York, who want to recoup their bad debts by having the United States pay them, and the officeholders whom we are going to appoint under the provisions of the joint resolution. Is there any doubt about it? There is not a Senator on the floor on either side of the Chamber who has any doubt about that fact. We all know it. It is unjustifiable and we ought not for a moment to think of passing the measure, and I hope that it will not pass. I intend to vote against it.

Mr. WALSH of Massachusetts. Mr. President, disregarding the statute authorizing foreign loans, I would not feel so certain of the absence of any moral obligation to Liberia. I think, had Liberia contracted debts for the purpose of prosecuting the war after notice had been given that the credit of \$5,000,000 had been made, the claim of a moral obligation might be made with more justification. But this Liberia had not done.

Mr. GLASS and Mr. MCKELLAR addressed the Chair.

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

Mr. WALSH of Massachusetts. I will yield in just a moment. I do not understand that Liberia asks for the money now or expects it to be loaned to meet any debts whatever incurred by Liberia in assisting in the prosecution of the war. I yield now to the Senator from Virginia.

Mr. GLASS. I merely desire to say that I could wish that Senators would speak more accurately about this matter.

When they undertake to state that a credit was established, I contest the statement. A conditional credit was established, and the conditions never have been complied with to this day. There is not an item in the account rendered that relates itself to the prosecution of the war or to the security of this Government in the war. Then how can there be any moral obligation?

If the Senator will pardon me further a moment, the present Secretary of State clearly recognized that fact in his letter to the former chairman of the Finance Committee, Mr. Penrose, when he said:

In view of the time which has elapsed since the establishment of the credit, the question which well might be raised as to the propriety at this time of advancing the money to Liberia as a war measure.

If there is anything in the statute that would authorize the advancement of the money by this Government to Liberia except for war purposes, I would be obliged if some Senator would point it out.

Mr. POMERENE. Will the Senator from Virginia advise us as to the date of the letter of the Secretary of State from which he has just read?

Mr. GLASS. It was written June 22, 1921. The whole basis of the proposed conditional credit must relate itself to the statute authorizing the credit, and the statute authorizes a credit only for war purposes, only for the prosecution of the war. Yet here we have a joint resolution that has nothing on earth to do with the prosecution of the war. It is a measure to refund a credit that was contracted quite 10 years before the United States ever entered into the war. A moral obligation does not necessarily exist because a man may say it exists. He must give some reason for his point of view, and no reason has ever been given.

It has been suggested here that the President of the United States promised Liberia a loan of \$5,000,000 if she went into the war. There is not a semblance of truth in that statement. This Government did not have to bribe a little cross-roads nation with \$5,000,000 to have it enter with us into the war. There was no such promise made, and the conditional credit was based upon the statute.

Mr. POMERENE. Mr. President, will the Senator from Massachusetts yield that I may ask the Senator from Virginia a question?

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Massachusetts yield to the Senator from Ohio?

Mr. WALSH of Massachusetts. Certainly.

Mr. POMERENE. I have been trying to get a copy of the hearings, but I have been advised that they are out of print, and for that reason I wish to ask the Senator two questions. He speaks of this as being a conditional credit, but has not stated what the conditions were. Will he state the conditions? Secondly, assuming that there were conditions, what were the reasons why they were not complied with?

Mr. GLASS. The war ended in less than a month after the conditions were presented. I will say to the Senator that the conditional credit was authorized by my predecessor and I do not just now recall the details as to the conditions, but I do very distinctly recall the fact that the conditions not having been complied with, when the mission came to this country from Liberia after I had succeeded to the post of Secretary of the Treasury, I declined to have any official communication with the commission.

Mr. WALSH of Massachusetts. May I ask the Senator a question? Regardless of whether the credit extended was conditional or not, does the Senator agree with me that if Liberia actually did not expend any money for prosecuting the war, the United States is not bound to loan the money?

Mr. GLASS. If Liberia, a poor, weak nation, had expended this amount or any other serious amount in the prosecution of the war, as a matter of equity the United States might reimburse her. But there is not an item in the account rendered that has any relation whatever to the prosecution of the war.

Mr. WALSH of Massachusetts. I am quite in accord with the Senator. That is the reason why I am arguing that we are not bound by any obligation. I am arguing that we should not authorize this loan, because actually no contracts were entered into and no expenses incurred by Liberia to prosecute the war, regardless of whether the credit was conditional or absolute. If the war ended without her spending a dollar, we are not bound to loan the money to her, because no officials of our Government could loan or agree to loan any foreign Government for any other purpose.

Mr. GLASS. Liberia entered the war because it was to the interest of Liberia to enter the war. She entered the war to be

protected by the Navies of Great Britain and the United States against the ravages of the German nation in proximity to her territory. That is the reason why she entered the war. She was not induced to enter by any promise of a loan, and the only credit ever established or that ever could have been established must have been a credit under the statute relating to the prosecution of the war.

Mr. SIMMONS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from North Carolina?

Mr. WALSH of Massachusetts. I yield.

Mr. SIMMONS. I heartily concur with the Senator from Massachusetts. If the Government of the United States had promised to loan Liberia \$5,000,000 to help them in the prosecution of the war and had failed to loan it for any reason whatsoever during the war, and they were to come now to us and say, "Relying upon that promise, we expended this money, we incurred this amount of indebtedness, and we ask that you in good faith keep your promise and loan us the money," I think that would constitute not a legal obligation but a moral obligation which would impel action on our part.

Mr. GLASS. It would be a moral obligation attached to which there could be no sort of question of propriety. The present Secretary of State himself actually said that he realizes that grave questions of propriety might properly intervene as objections to the loan. How could a question of propriety lie against a moral obligation? The two suggestions from the same source are absolutely contradictory. If it is a moral obligation, there could be no question of propriety in meeting the moral obligation.

Mr. SIMMONS. If the Senator will pardon me for restating my position, the point I was making was, that the war having ended, Liberia does not come to us and say, "We want money to pay obligations which we incurred relying upon your promise," but she comes and says, "We want to borrow from you \$5,000,000 to pay some old debts that we owe certain great financial interests in the city of New York contracted some time during the year 1912."

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Ohio?

Mr. WALSH of Massachusetts. I yield.

Mr. POMERENE. Am I to understand the Senator from North Carolina to take the position that Liberia is asking for this loan now purely as a loan and without reference to any so-called moral obligation that may have existed before this time?

Mr. SIMMONS. The very agreement entered into between Liberia and Secretary of State Hughes specifies that the money is to be loaned and to be used in the liquidation of old debts due certain individuals and bankers by the Liberian Government some five or six years before the United States entered into the war.

Mr. WALSH of Massachusetts. Mr. President, my purpose in asserting that I did not feel as strongly as some others that there was not a moral obligation was because of my understanding from correspondence that took place it might well be argued, if one disregarded the law authorizing foreign loans, that there was such an obligation, that it might well be interpreted to place a moral obligation upon our country. Personally I do not think there is, because, regardless of whether the credit was absolute or conditional, Liberia did not incur any expense whatever in the prosecution of the war; and did not come to us until after the war, in June, 1920, and then asked us to advance her money on the credit claimed to have been extended to pay bills which she owed long before the war and for the purpose of new developments.

The language used in the note which passed between the President and the Secretary of State in 1918 and the language used in the note of August 27, 1918, from the Treasury Department to the Secretary of State does not appear to make the credit a conditional one. An extract from that note is as follows:

Referring to our previous correspondence in relation to a loan to the Republic of Liberia, the President has approved the establishment of a credit in favor of the Liberian Government in the amount of \$5,000,000.

Other references in the correspondence which passed seem to give reason for the belief on the part of foreign countries that the credit was not a conditional one. It is true, however, as the Senator from Virginia [Mr. GLASS] has said, that Secretary of State Lansing did write a communication to the Liberian Government setting forth certain conditions that would have to be complied with before the loan was consummated, and that those conditions were not complied with.

Mr. GLASS. And that fact was communicated to other Governments.

Mr. WALSH of Massachusetts. I did not know that; I do not find that in the correspondence which is in the record. I am glad the Senator adds that, but the letter which Secretary Lansing wrote to the Liberian Government on September 12, 1918, shows that the money was available on certain conditions, which it appears were not met.

Mr. MCKELLAR. Will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Tennessee?

Mr. WALSH of Massachusetts. Yes.

Mr. MCKELLAR. Has the Senator from Massachusetts before him the proposed agreement made by Mr. Secretary Hughes with the Government of Liberia in reference to this loan?

Mr. WALSH of Massachusetts. Yes.

Mr. MCKELLAR. Does it refer in any way at all to the supposed obligation?

Mr. WALSH of Massachusetts. I glanced over it hurriedly for the very purpose of ascertaining if it referred to any previous obligation, and I do not find any language in it that couples it with any previous obligation.

Mr. MCKELLAR. As I understand the agreement, an entirely new arrangement which was made or proposed to be made since the war?

Mr. WALSH of Massachusetts. I so understand.

Mr. President, I took the floor for two purposes—first, to bring out and to put into the Record the authority given to United States officials to loan money to foreign Governments. That authority seems to be limited to the loaning of money for the purposes of our national security and defense and prosecuting the war. The second purpose for my rising was to put into the Record some of the testimony presented before the Ways and Means Committee of the House at the time the hearings were held on March 22 and March 24, 1922. I should like to have the testimony and cross-examination of Mr. Fred Morris Dearing, acting Assistant Secretary of State, and Mr. Harry A. McBride, American consul, detailed in the Department of State, from page 5 to page 11 inserted in the Record.

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

The matter referred to is as follows:

Mr. FREAR. In order to get at the matter from the beginning: First, Liberia has between 40,000 and 50,000 civilized negroes?

Mr. DEARING. Yes.

Mr. FREAR. And about a million or more uncivilized, and their territory is about 200 miles square in area. In 1871 a loan was made and Liberia said that they were not getting any fair return from that loan. The loan amounted to \$440,000. Am I right about that?

Mr. DEARING. I think that is about right.

Mr. FREAR. Then matters went on until this commission went over in 1909 and made their report, and that commission recommended—it ought to be put in the record, I suppose—that commission recommended additional loans be made to Liberia, and that Liberia be financed. Then a loan was made, of which you speak, I assume. There was a loan of \$460,000, or something like that, in 1910, I believe.

Now, they did not take up the 1871 loan. That loan of 1871 has never been funded, or refunded, and has not been paid. Is that not true?

Mr. DEARING. I think that I will have to ask Mr. McBride to report on that.

Mr. MCBRIDE. No, sir; the 1912 loan, of which the National City Bank of New York was the fiscal agent, covered the refunding of the loan of 1871 and other outstanding indebtedness.

Mr. FREAR. Well, did it include the 1871 loan?

Mr. MCBRIDE. Yes, sir; the amount which was loaned to Liberia, namely, the \$1,700,000, refunded and repaid all foreign loans, including the loan of 1871.

Mr. FREAR. That does not appear in the record, so far as I can ascertain.

Mr. DEARING. Yes, sir.

Mr. FREAR. Well, then, from that date the National City Bank, and Mr. Morgan, and Kuhn, Loeb & Co., and others you mention here, assumed the indebtedness of \$1,600,000 or \$1,700,000; that is to say, they loaned money to take up these various Liberian loans.

The next step, as I understand, in June, 1918—

Mr. GARNER (interposing). Mr. Frear, while the gentleman nods, the record does not show what his answer is to your questions.

Mr. FREAR. No; just answer the question so the reporter can get the answer.

Mr. DEARING. Certainly. I beg your pardon.

Mr. FREAR. Then, in 1918, in the month of June or thereabouts, negotiations were started to help the Liberian situation because of desperate straits financially; that is, she made that claim. That was before any question of her action regarding the war was taken.

Mr. DEARING. Liberia declared war in August, 1917.

Mr. FREAR. In September, two months before the signing of the armistice, this Government, or people representing this Government, made strong advances to secure at that time this \$5,000,000 proposal; that is, this loan for Liberia?

Mr. DEARING. Yes, sir.

Mr. FREAR. That was, as I say, just prior to the end of the war. Nothing more was done regarding the loan until June, 1920, by Liberia; and the reason advanced, as I get from the record, is that the conditions or terms imposed were not satisfactory, and Liberia refused to take action until 1920, in June. That was over a year and a half after the conclusion of the war.

Mr. DEARING. Yes, sir.

Mr. FREAR. Now, Liberia's action during the war was not to help the United States and the Allies, as I gather; but the United States intervened and suggested that she declare war in order to help her own conditions, her own commerce, and we intervened so that Great Britain would cease interfering with that commerce. Now, is not that right? It was to help Liberia that the United States intervened and persuaded Great Britain at that time to allow Liberia's commerce to continue; is not that right?

Mr. MCBRIDE. Well, that is so to this extent: On the west coast of Africa, after the enemy submarine campaign became very effective, there was only one ship every six months, or thereabouts, calling at Monrovia, and the only reason that Great Britain would send a vessel there was for the purpose of leaving food and things of that sort.

Mr. FREAR. Well, of course, Liberia had no vessels, had no army, had no navy, and the effect of this declaration of war was in the interest of Liberia and not to the interest of the Allies, so far as I have been able to discover reasons from the report.

Mr. MCBRIDE. I hardly believe that it can be stated to have been in the interest of Liberia, because Liberia in taking this action to enter the war, lost immediately 85 per cent of her trade, and Liberia was bombarded by German submarines.

Mr. FREAR. Now, where was that trade going at that time? Mr. MCBRIDE. There were many German merchants in Liberia. There were about a dozen merchants in Monrovia, and nine of them were German. I think—eight or nine—and practically all of their exports, and all of their produce, that was brought from the interior, was bought by the German merchants, who exported the produce.

Mr. FREAR. On what kind of vessels? Mr. MCBRIDE. German, English, Spanish, and French.

Mr. FREAR. Were the Germans shipping this material during the war on English vessels?

Mr. MCBRIDE. No; not during the war.

Mr. FREAR. Well, of course, the declaration of war on the part of the United States occurred on April 6, 1917. It was subsequent to that time before Liberia declared war, and by that time, of course, the commerce had decreased steadily, I gather from this report.

Now, the loan of the National City Bank, and also representing that due the British and other interests, that is all to be taken care of out of this \$5,000,000 loan?

Mr. DEARING. Yes, sir.

Mr. FREAR. I want to see whether I am right about this. The agreement provides and Liberia, I think, has agreed to the condition that the United States shall, through our President, appoint a financial commissioner at \$15,000 and an assistant at \$10,000, an auditor at \$6,000, and numerous other officials, who will administer the financial conditions at Liberia.

Mr. DEARING. Yes, sir.

Mr. FREAR. The effect of that is that these debts that now exist, and which are not at par—are the Liberian bonds selling at par to-day, the Liberian securities?

Mr. DEARING. No; they are below par.

Mr. FREAR. Do you know at what figure they are selling?

Mr. DEARING. Can you answer that question, Mr. McBride?

Mr. MCBRIDE. About 98 or 99.

Mr. FREAR. At about 98 or 99. What interest do they bear?

Mr. MCBRIDE. Five per cent.

Mr. GARNER. When did they sell at that?

Mr. MCBRIDE. They have been at that figure since, as a matter of fact, since the \$5,000,000 loan was first announced to Liberia. Before that I think they were selling for about 75 to 80, and sometimes going up as high as 85.

Mr. FREAR. They are receiving that quotation now for their securities by reason of the prestige given on account of this \$5,000,000 loan?

Mr. MCBRIDE. I think so; yes.

Mr. FREAR. One further question I have in mind, and that is under the law to secure this loan Liberia must pay this financial commissioner \$15,000, the assistant \$10,000, and an auditor \$6,000, and that commission, consisting of the commissioner, the assistant, together with a man representing the Liberian treasury, who will determine the value of these securities. That is true, is it not?

Mr. MCBRIDE. No, sir.

Mr. DEARING. We do not see how they could determine the value of them.

Mr. FREAR. Well, the settlement is to be had out of the \$5,000,000; is that right?

Mr. MCBRIDE. I do not understand just what you mean by "determine the value of the securities."

Mr. FREAR. On what basis they shall be taken up.

Mr. MCBRIDE. The law and the agreement of 1912 stipulates that they shall be redeemed at 102½ per cent up to July 1, 1922, and thereafter may be redeemed at par.

Mr. FREAR. Now, here is a proviso in this pamphlet, under Article VII, page 75, which provides:

"None of the provisions of the present plan shall be deemed or construed to create any trust or obligation in favor of any holder of any of the outstanding obligations of indebtedness of Liberia or in favor of any owner of the coupons or claim for interest on, or in respect of, any thereof, or in favor of any holder of any claims against Liberia. Any and all claims against the Government of Liberia, which may not be charged under the provisions of clauses 3, 4, and 5 of Article I of the present plan shall be submitted to a claims commission composed of the secretary of the treasury of Liberia, the auditor and financial commissioner. This claims commission shall have power to determine the validity of any and all such claims and its decision shall be binding."

Now, Articles III, IV, and V relate to the specific debts?

Mr. MCBRIDE. Yes; those relate to the specific debts of Liberia. The claims commission would, I understand, only deal with indebtedness or claims not provided for in the plan.

Mr. FREAR. In other words, Liberia has one commissioner and the United States has two; Liberia has one vote and the United States has two votes in the allocation of the money. That is true, is it not?

Mr. MCBRIDE. Except for the fact that these men are not appointed by the President of the United States. They are designated by the President of the United States and appointed by the President of Liberia.

Mr. FREAR. They are not appointed by the President of the United States?

Mr. MCBRIDE. They are designated by the President of the United States, and appointed by the President of Liberia.

Mr. FREAR. Yes; but to get the \$5,000,000 they have got to do what we provide. Have they a depository? What is the depository for the Liberian bonds? That is, are they under the control or not of American interests? Is there a bank there or how do they handle their funds.

Mr. McBRIDE. There is only one bank there now, and that is a British bank. I do not know what arrangements will be made, of course, under the new loan. I should think, perhaps, that some other arrangement should be made.

Mr. FREAR. Now, what is to be done with the balance of the money after you take up those claims, and you have paid this \$1,700,000 to the National City Bank of New York City; what is to be done with the balance?

Mr. DEARING. The balance of that money we want to use for the general administrative expenses of the country, of course, and also for certain improvements and developments which will enable Liberia to get on her feet and take care of her own finances.

Mr. FREAR. Now, returning to the record—
The CHAIRMAN (interposing). And included in that is the establishment of a public-school system, which is to be provided for.

Mr. DEARING. There are a number of things provided for.
Mr. FREAR. River and harbor improvements and many things of that kind, and \$80,000 is set aside for the traveling expenses of the financial commission and for their salaries while in transit and the commissioner is to receive \$15,000 salary. Now, do you think that that is an excessive amount to be paid to an official for this little community of people of 40,000 or 50,000?

Mr. DEARING. That figure was agreed upon when we negotiated with President King, of Liberia, who was over here with the financial commission. We went into the matter very carefully, and we felt, and President King felt, and is satisfied, that a salary of that size ought to be paid in order to get men with sufficient ability and skill to administer the plan so that it would be certain to result to the benefit of Liberia, a country of 45,000 square miles and 2,000,000 people.

Mr. FREAR. Is that the reason why \$10,000 was also fixed as the salary of the assistant, in view of the fact that 1,960,000 of those people are uncivilized and the country has less real business than the average city of 50,000 people?

Mr. DEARING. Every one of those salaries was carefully considered by us.

Mr. FREAR. But does not that impress you as being a rather large salary list, \$80,000 annually for these few officials who are to administer the affairs of Liberia, which to-day is unable to pay interest on \$1,700,000 indebtedness?

Mr. DEARING. We do not think so, especially because of the special conditions, climatic conditions, and the backwardness of the development of the country, and so forth, which makes it necessary to pay a somewhat better salary to get the same grade of skilled men who in another situation would accept less.

Mr. FREAR. Now, one more question. Could you give the committee the several amounts that are to be paid to the various people not mentioned here by the National City Bank, which I believe is set out in the position of trustee, are they not, here?

Mr. DEARING. Yes.
Mr. FREAR. Can you give the names and amounts of different people owning the various amounts of securities?

Mr. DEARING. May I ask Mr. McBride to answer that question?
Mr. FREAR. Yes, sir.

Mr. McBRIDE. The \$1,700,000 indebtedness is held by the bondholders of the 1912 loan, not the National City Bank. The National City Bank is the fiscal agent.

Mr. FREAR. Yes; I understand; trustee, as I understand. Who are the bondholders, and how much do they own?

Mr. McBRIDE. I think that the majority are in Great Britain. There is quite a block of stock held in Holland, France, and some in Germany, and some in the United States.

Mr. FREAR. Well, now, what is held in the United States; can you tell us?

Mr. McBRIDE. I do not know, sir.
Mr. FREAR. Have you any way of determining?

The CHAIRMAN. All of that is set out in the pamphlet.
Mr. FREAR. I beg your pardon. I have looked over it very carefully, and I can not find anything.

The CHAIRMAN. The amount is not given?
Mr. FREAR. Let me read on page 66:

"One million six hundred and fifty thousand dollars, or such less amount as may be necessary for the purpose of enabling the Government of Liberia to purchase or redeem all of its bonds now issued and outstanding, representing the 5 per cent sinking fund gold loan, due July 1, 1952, under the agreement for refunding loans dated March 7, 1912, between the Republic of Liberia, of the first part, and J. P. Morgan & Co., Kuhn, Loeb & Co., the National City Bank of New York, and First National Bank of New York, acting for themselves and for Robert Fleming & Co., Banque de Paris et des Pays Bas, M. M. Warburg & Co., and Hope & Co., and for others, of the second part, including such payments of interest, costs of notices and other payments or deposits, as well as payments which may be due from the Government of Liberia under the fiscal-agency agreement dated March 7, 1912, between the Republic of Liberia, of the first part, and the National City Bank of New York, of the second part, as shall be necessary to terminate all obligations of the Government of Liberia under all said bonds or under the agreement for refunding loan or the fiscal-agency agreement above mentioned, as shall entitle the Government of Liberia, in accordance with the terms of said agreement, to the cancellation and destruction of all said bonds held by the fiscal agents in the sinking fund mentioned in said agreements."

Under that is where the National City Bank acts as agent for the other party?

Mr. McBRIDE. They act as the fiscal agents for the Government of Liberia.

Mr. FREAR. Now, can you give the amount due to the various parties in America, due here to-day under that?

Mr. McBRIDE. No, sir; I do not know. I do not know whether there is any way to get that information.

Mr. FREAR. But this Government is paying \$5,000,000 in order to take up this indebtedness, and we ought, as a matter of fact, to know what it is to cover, or at least I think we ought to know.

Mr. McBRIDE. We understand that the Liberian bonds held in this country would amount to about \$200,000.

Mr. COLLIER. How much?
Mr. McBRIDE. I think about \$200,000. I am not sure. We know that a large majority of the Liberian bonds are held in Great Britain to-day.

Mr. FREAR. Those are all owned by private holders, of course?
Mr. McBRIDE. I think so. There may be one or two banks which have been holding some, but not a very large amount.

Mr. FREAR. That is all at present.

Mr. McKELLAR. Before the Senator takes his seat I desire to ask him a question.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Tennessee?

Mr. WALSH of Massachusetts. I do.

Mr. McKELLAR. What constitutional authority have we in times of peace to lend to foreign Governments the people's money which is taken by taxation?

We may talk about "moral obligation," but have we the constitutional right to do it? We surely have not the moral right to lend money to foreign nations in times of peace; at least, it seems to me it is of very doubtful moral propriety even if we have the constitutional right. What does the Senator from Massachusetts have to say, however, about the constitutional right?

Mr. WALSH of Massachusetts. Of course we have no right to loan money to any foreign Government without congressional authority; and I do not suppose anyone claims that there is any authority now to loan money to Liberia unless it grows out of a legal obligation or a moral obligation as binding as a legal one as a result of promises made during the time when Liberia and the United States were engaged as allies in prosecuting the war.

Mr. OWEN. Before the Senator from Massachusetts sits down I desire to ask him a question.

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

Mr. WALSH of Massachusetts. I yield.

Mr. OWEN. I recall that the Senator made a reference to the President having authorized this loan. Is not that authority of the President necessarily restricted to the statute under which the President was then acting?

Mr. WALSH of Massachusetts. Certainly.

Mr. OWEN. And do not the conditions of that law, which require the money to be expended for war purposes, attach directly to the authority granted to the President?

Mr. WALSH of Massachusetts. Certainly; and that was the force of my whole argument; that we were not bound to loan Liberia one dollar, because, no matter what promises our officials made, no matter what the credits, conditional or otherwise, were, Liberia did not expend any money and does not ask us now to recoup her for any expense which she made to prosecute the war.

Mr. OWEN. Surely the manner in which this claim is presented here, with the provision for the disposition of money in the payment of the ancient and honorable debts, which I think ought to be paid by Liberia to the people from whom she borrowed the money, makes it appear as if this alleged moral right had no real existence but was a Trojan horse behind which is stalking the claim of New York bankers.

Mr. WALSH of Massachusetts. I might add that the testimony which I have put into the RECORD goes fully into the question of the claims against Liberia that will be paid in case this money is loaned by our Government and contains a résumé of Liberia's financial relations with the United States Government, other countries, and banking institutions.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Kansas [Mr. CURTIS], who is in charge of the pending joint resolution, a question in reference to the salaries which are therein provided. I wish to ask the Senator if the salaries are to be paid out of the loan. I have not the whole agreement before me and I can not obtain a copy of it.

Mr. CURTIS. I understand that they will be paid out of the revenues of the Liberian Government.

Mr. McKELLAR. That can not be done because the revenues of Liberia, apparently, are not at all sufficient to pay half of the salaries provided for by the joint resolution.

Mr. CURTIS. It will be found that the revenues of the Liberian Government will pay the salaries.

Mr. McKELLAR. Let us suppose for a moment that the Liberian revenues are not sufficient to pay the salaries; will the United States Government then pay the salaries of these individuals?

Mr. CURTIS. I think not, under the agreement.

Mr. McKELLAR. The Senator thinks not.

Mr. CURTIS. No.

Mr. McKELLAR. If we appoint them, would we not be in honor bound to pay them after having appointed them?

Mr. CURTIS. I do not think so, if they accept the appointments under the known conditions.

Mr. McKELLAR. We have been talking considerably about moral obligations; would there not be a very strong moral obligation on our part, after appointing these men, to pay them the salaries we agreed to pay them if the Liberian revenues were not sufficient for that purpose?

Mr. CURTIS. I do not think there is any danger of such a contingency arising.

Mr. McKELLAR. Does the Senator think that any men could be found who would go to Liberia and undertake this work merely upon the assurance of the Liberian Government that their salaries would be paid?

Mr. CURTIS. Really, I do not know as to that.

Mr. SMOOT. Mr. President, I should like to ask the Senator having the joint resolution in charge whether he expects to conclude the discussion and take a vote upon the measure to-night. If he does, I wish to proceed with what I have to say, because I think that I can demonstrate beyond question that there is a moral obligation involved.

Mr. CURTIS. Mr. President, if we could do so, I should like to have a vote upon the amendment offered by the Senator from Mississippi and then have an executive session. I understand that a number of Senators who have left the Chamber want to be here when the vote is taken.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. SMOOT. I yield.

Mr. BORAH. It was really at my suggestion, I presume, that the Senator from Kansas consented that the measure go over. I find that several Senators have gone away, not anticipating a vote this afternoon, and I should like for them to be here. I do not think we have anything crowding to-morrow, and we might get through then.

Mr. CURTIS. I am perfectly willing to take a vote on the amendment of the Senator from Mississippi and then to hold an executive session and adjourn until 12 o'clock to-morrow, if that is satisfactory.

Mr. SMOOT. In view of the situation as presented by the Senator from Kansas, I do not care about proceeding now; but I will occupy a short time to-morrow.

Mr. NORRIS. Mr. President, before the Senator from Utah yields the floor, in order that there may be no misunderstanding, I wish to say that I do not know what the amendment of the Senator from Mississippi is, and I should not want to enter into an agreement to vote on it to-night.

Mr. SMOOT. The amendment of the Senator from Mississippi provides a number of additional inspectors of locomotive boilers.

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Carolina?

Mr. SMOOT. I yield.

Mr. DIAL. I merely wish to make an observation for the benefit of the Senator from Nebraska. The object of the amendment of the Senator from Mississippi is to take care of some parties who are out of jobs, such as the Senator from Nebraska spoke of a while ago. The amendment will provide places for some 35 of them.

Mr. SMOOT. Mr. President, we have heard so much this afternoon about providing jobs for those who are out of employment that I think it will be well for Senators who are everlastingly talking in that vein to understand that we have actually reduced the number of Government employees by some forty-odd thousand since the last administration went out of power.

Mr. McKELLAR. How many have been put in their places?

Mr. SMOOT. None, so far as the number is concerned, because there are that many less employees of the Government now than there were then.

Mr. OVERMAN. How many new offices have been created?

Mr. SMOOT. Very few, indeed.

Mr. OVERMAN. There have been a great many.

Mr. SMOOT. I will say to the Senator that despite the offices which have been created there are 40,000 less employees in the Government service now than there were when the present administration came into power.

Mr. McKELLAR. Mr. President, if the Senator from Utah will yield, how many are employed by the Government now as compared with the year before the war?

Mr. SMOOT. There are more employees of the Government to-day, of course, than there were before the war.

Mr. McKELLAR. Does the Senator recall how many more? The number is very much larger, is it not?

Mr. SMOOT. The number is not very large.

Mr. McKELLAR. There are 40,000 more employees on the Government rolls than there were before the war, are there not?

Mr. SMOOT. The Senator is mistaken as to that.

Mr. McKELLAR. I should like to have the exact figures put in the RECORD.

Mr. SMOOT. I thought I had them in my desk. I can give the figures for each month since the present administration came into power showing the number of employees separated from the service.

Mr. McKELLAR. Will the Senator be kind enough—I am speaking very seriously now—to put into the RECORD at some later day the reductions that have been made in the number of employees since the Republicans came into power, and then put in the figures as to how many employees of the Government there were the year before the war, in 1916, so that we may make the comparison and ascertain the exact facts? I know the Senator has the figures.

Mr. SMOOT. I think I have the figures for 1916 in my office. I have no idea of casting any reflection upon anybody; but we have heard a great deal this afternoon about hunting jobs for lame ducks. I recall that two years ago there were a number of lame ducks on the other side, and I remember that the then Senator from Arizona, the then Senator from Idaho, the then Senator from Oregon were all taken care of and are to-day in good positions.

Mr. OWEN. I suggest that the Senator should not be so cruel as to call the entire roll.

Mr. SMOOT. I can call the roll if the Senator desires.

Mr. McKELLAR. Will not the Senator put the figures in the RECORD so that we may have a résumé of it all?

Mr. CURTIS. Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. HARRISON. Mr. President, will the Senator withhold that motion for a moment?

The PRESIDING OFFICER. Does the Senator from Kansas withhold his motion?

Mr. CURTIS. I withhold it.

Mr. HARRISON. I ask unanimous consent that immediately after the conclusion of the consideration of the pending joint resolution the bill (S. 3254) to encourage the development of the agricultural resources of the United States through Federal and State cooperation, giving preference in the matter of employment and the establishment of rural homes to those who have served with the military and naval forces of the United States, may be taken up and disposed of.

The PRESIDING OFFICER. The Senator from Mississippi asks unanimous consent that immediately upon the conclusion of the consideration of the pending joint resolution the bill to which he refers may be proceeded with.

Mr. CURTIS. That would require a quorum.

Mr. HARRISON. Of course, if it will require a motion I will not make the request; but I did not think it would require a quorum.

EXECUTIVE SESSION.

Mr. CURTIS. I renew my motion 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. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Friday, November 24, 1922, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate November 23, 1922.

ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES.

Pierce Butler, of Minnesota, to be Associate Justice of the Supreme Court of the United States, vice William R. Day, resigned.

PROMOTIONS IN THE DIPLOMATIC SERVICE.

SECRETARY OF EMBASSY OR LEGATION OF CLASS 2.

Cornelius Van H. Engert, of California.
Williamson S. Howell, jr., of Texas.

SECRETARY OF EMBASSY OR LEGATION OF CLASS 3.

Frederic D. K. Le Clercq, of South Carolina.
Harold H. Tittmann, jr., of Missouri.

SECRETARY OF EMBASSY OR LEGATION OF CLASS 4.

Miss Lucile Atcherson, of Columbus, Ohio, to be a secretary of embassy or legation of class 4 of the United States of America.

MEMBERS OF THE UNITED STATES COAL COMMISSION.

John Hays Hammond, of the District of Columbia.
Thomas Riley Marshall, of Indiana.
Samuel Alschuler, of Illinois.
Clark Howell, of Georgia.
George Otis Smith, of Maine.
Edward T. Devine, of New York.
Charles P. Neill, of the District of Columbia.

COLLECTORS OF CUSTOMS.

Louis M. Hall, of St. Louis, Mo., to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo., in place of Fountain Rothwell, whose term of office expired October 31, 1922. A temporary commission was issued to this officer during the recess of the Senate.

George V. Denny, of Savannah, Ga., to be collector of customs for customs collection district No. 17, with headquarters at Savannah, Ga., in place of David C. Barrow, jr., superseded.

COMPTROLLER OF CUSTOMS.

Walter L. Cohen, of New Orleans, La., to be comptroller of customs in customs collection district No. 20, with headquarters at New Orleans, La., in place of Albert W. Newlin, resigned.

UNITED STATES COAST GUARD.

Cadet Engineer Herman H. Curry to be ensign (engineering) in the Coast Guard of the United States, to rank as such from September 30, 1922. This officer is now serving under temporary commission issued during the recess of the Senate.

UNITED STATES COAST AND GEODETIC SURVEY.

Aaron George Katz, of New York, to be hydrographic and geodetic engineer, with relative rank of lieutenant in the Navy. Charles Mitchell Thomas, of Virginia, to be aid, with relative rank of ensign in the Navy.

REGISTER OF THE LAND OFFICE.

Peter Michael Larson, of Minnesota, to be register of the land office at Cass Lake, Minn.

UNITED STATES PUBLIC HEALTH SERVICE.

Dr. Octavius M. Spencer to be assistant surgeon in the United States Public Health Service, to rank as such from October 5, 1922.

Asst. Surg. Richard B. Norment to be passed assistant surgeon in the United States Public Health Service, to rank as such from September 23, 1922.

Passed Asst. Surg. Robert L. Allen to be surgeon in the United States Public Health Service, to rank as such from September 22, 1922.

Passed Asst. Surg. Ora H. Cox to be surgeon in the United States Public Health Service, to rank as such from September 21, 1922.

Passed Asst. Surg. Marion S. Lombard to be surgeon in the United States Public Health Service, to rank as such from September 21, 1922.

Passed Asst. Surg. Carl Michel to be surgeon in the United States Public Health Service, to rank as such from September 22, 1922.

Passed Asst. Surg. William F. Tanner to be surgeon in the United States Public Health Service, to rank as such from September 21, 1922.

Passed Asst. Surg. William C. Witte to be surgeon in the United States Public Health Service, to rank as such from September 22, 1922.

Passed Asst. Surg. James F. Worley to be surgeon in the United States Public Health Service, to rank as such from September 25, 1922.

OFFICERS' RESERVE CORPS OF THE ARMY.

BRIGADIER GENERALS.

To be brigadier generals, Officers' Reserve Corps.

Col. Franklin Wilmer Ward, Infantry, Officers' Reserve Corps.

Col. Albert Lyman Cox, Field Artillery, Officers' Reserve Corps.

Col. Charles Irving Martin, adjutant general, Officers' Reserve Corps.

APPOINTMENTS IN THE REGULAR ARMY.

GENERAL OFFICERS.

To be major generals.

Brig. Gen. André Walker Brewster, from December 1, 1922, vice Maj. Gen. George Bell, jr., who is to be retired from active service November 30, 1922.

Brig. Gen. Edward Mann Lewis, from December 2, 1922, vice Maj. Gen. Clarence R. Edwards, who is to be retired from active service December 1, 1922.

Brig. Gen. Edgar Russel, from December 2, 1922, vice Maj. Gen. Charles J. Bailey, who is to be retired from active service December 1, 1922.

Brig. Gen. Frank Long Winn, from December 2, 1922, vice Maj. Gen. Francis J. Kernan, who is to be retired from active service December 1, 1922.

Brig. Gen. George Brand Duncan, vice Maj. Gen. Edgar Russel, who is to be retired from active service.

Brig. Gen. Ernest Hinds, vice Maj. Gen. Frank L. Winn, who is to be retired from active service.

Brig. Gen. Robert Lee Howze, vice Maj. Gen. William M. Wright, who is to be retired from active service.

To be brigadier generals.

Col. Richmond Pearson Davis, Coast Artillery Corps, from December 1, 1922, vice Brig. Gen. Chase W. Kennedy, who is to be retired from active service November 30, 1922.

Col. Charles Henry Barth, Infantry, from December 2, 1922, vice Brig. Gen. Richard E. Blatchford, who is to be retired from active service December 1, 1922.

Col. John McAuley Palmer, Infantry, vice Brig. Gen. André W. Brewster, nominated for appointment as major general.

Col. Briant Harris Wells, Infantry, from December 2, 1922, vice Brig. Gen. Samson L. Faison, who is to be retired from active service December 1, 1922.

Col. Edward Leonard King, Cavalry, vice Brig. Gen. Edward E. Lewis, nominated for appointment as major general.

Col. Harold Benjamin Fiske, Infantry, vice Brig. Gen. Edgar Russel, nominated for appointment as major general.

Col. Frank Ross McCoy, Cavalry, vice Brig. Gen. Frank L. Winn, nominated for appointment as major general.

Col. Halstead Dorey, Infantry, vice Brig. Gen. George B. Duncan, nominated for appointment as major general.

Col. Hugh Aloysius Drum, Infantry, vice Brig. Gen. Ernest Hinds, nominated for appointment as major general.

Col. Stuart Heintzelman, Cavalry, vice Brig. Gen. Robert L. Howze, nominated for appointment as major general.

Col. Willoughby Walke, Coast Artillery Corps, from December 29, 1922, vice Brig. Gen. Charles H. Barth, who is to be retired from active service December 28, 1922.

Col. John Bacon McDonald, Cavalry, from January 29, 1923, vice Brig. Gen. Willoughby Walke, who is to be retired from active service January 28, 1923.

To be second lieutenants.

Under the provisions of the acts of Congress approved June 30 and September 14, 1922, the officers herein named, who are now first lieutenants in the Regular Army, to be second lieutenants in the Regular Army in the branches of service in which they now hold commissions or appointments, to take rank in that grade as prescribed by the act of June 30, 1922:

First Lieut. Fred Glover Sherrill, Finance Department.

First Lieut. Sol Marks Lipman, Cavalry.

First Lieut. Jerome David Cambre, Infantry.

First Lieut. Eustaquio Bacig y Sabio, Philippine Scouts.

First Lieut. Burrowes Goldwaite Stevens, Infantry.

First Lieut. Alexander Thomas McCone, Infantry.

First Lieut. Thomas Markham Brinkley, Infantry.

First Lieut. John Kennedy Buchanan, Infantry.

First Lieut. Beverley St. George Tucker, Ordnance Dept.

First Lieut. Reginald Worth Hubbell, Infantry.

First Lieut. Lee Earl Gray, Coast Artillery Corps.

First Lieut. Donald William Sawtelle, Cavalry.

First Lieut. Paul Wilkins Kendall, Infantry.

First Lieut. John Franklin Farley, Infantry.

First Lieut. Charles Henry Moore, jr., Infantry.

First Lieut. James Wentworth Freeman, Infantry.

First Lieut. Alexander John Mackenzie, Infantry.

First Lieut. Wiley Vinton Carter, Infantry.

First Lieut. Ira Platt Swift, Cavalry.

First Lieut. Wilbur Eugene Dunkelberg, Infantry.

First Lieut. Arthur Pulsifer, Infantry.

First Lieut. Farrin Allen Hillard, Infantry.

First Lieut. Elliott Watkins, Infantry.

First Lieut. Francis James Gillespie, Infantry.

First Lieut. Jesse Lewis Gibney, Infantry.

First Lieut. Robert Hale Vesey, Infantry.

First Lieut. Clarence Miles Mendenhall, jr., Infantry.

First Lieut. Kester Lovejoy Hastings, Infantry.

First Lieut. George McKnight Williamson, jr., Infantry.

First Lieut. Howard Waite Brimmer, Infantry.

First Lieut. Charles Milner Smith, jr., Infantry.

First Lieut. Walter Joseph Muller, Infantry.

First Lieut. Harry Lovejoy Rogers, jr., Infantry.

First Lieut. George Bryan Conrad, Infantry.

First Lieut. William Stephen Murray, Infantry.

First Lieut. Raymond Wainwright Odor, Infantry.

First Lieut. James Clyde Welch, Infantry.

First Lieut. Miner Welsh Bonwell, Infantry.

First Lieut. John Perry Pence, Infantry.

First Lieut. Joseph Magoffin Glasgow, Cavalry.

First Lieut. Elmer Mike Jenkins, Infantry.

First Lieut. James Lawrence Keasler, Infantry.

First Lieut. Rutherford Dent McGiffert, Infantry.

First Lieut. Richard Bryan Wheeler, Infantry.

First Lieut. Thomas Roswell Aaron, Infantry.

First Lieut. David Albert Newcomer, Corps of Engineers.

- First Lieut. Alfred Maximillian Gruenther, Field Artillery.
 First Lieut. Herbert Bernard Loper, Corps of Engineers.
 First Lieut. Ivan Crawford Lawrence, Corps of Engineers.
 First Lieut. Williston Birkhimer Palmer, Field Artillery.
 First Lieut. Robert Gibbins Gard, Field Artillery.
 First Lieut. Robert Ammons Hill, Corps of Engineers.
 First Lieut. David Horn Whittier, Ordnance Department.
 First Lieut. Herbert Maury Jones, Field Artillery.
 First Lieut. Fred William Marlow, Corps of Engineers.
 First Lieut. Orville Wells Martin, Field Artillery.
 First Lieut. William Joseph Regan, Corps of Engineers.
 First Lieut. Roy Green, Corps of Engineers.
 First Lieut. Forrest Eugene Cookson, Infantry.
 First Lieut. Alexander Sharp Bennet, Field Artillery.
 First Lieut. George Sheldon Price, Field Artillery.
 First Lieut. Carl Spencer Molitor, Infantry.
 First Lieut. Wyburn Dwight Brown, Field Artillery.
 First Lieut. Robert Miller Montague, Field Artillery.
 First Lieut. Charles Pollard Jones, Field Artillery.
 First Lieut. Anthony Clement McAuliffe, Field Artillery.
 First Lieut. Robert Leonard Johnson, Field Artillery.
 First Lieut. Lester Francis Rhodes, Corps of Engineers.
 First Lieut. Albert Rhett Stuartt Barden, Field Artillery.
 First Lieut. Romeo Francis Regnier, Field Artillery.
 First Lieut. Don Gilmore Shingler, Corps of Engineers.
 First Lieut. Harlan Nelson Hartness, Infantry.
 First Lieut. Louis Brainard Ely, Field Artillery.
 First Lieut. Julius Easton Slack, Field Artillery.
 First Lieut. Bertram Francis Hayford, Field Artillery.
 First Lieut. Ernest Aron Bixby, Field Artillery.
 First Lieut. Robert Rossiter Raymond, jr., Field Artillery.
 First Lieut. Harris Fulford Scherer, Cavalry.
 First Lieut. Thomas Benoit Hedekin, Field Artillery.
 First Lieut. Joseph Vincil Phelps, Field Artillery.
 First Lieut. Charles Norton McFarland, Field Artillery.
 First Lieut. Charles Alvin Pyle, Field Artillery.
 First Lieut. Alexander Griswold Kirby, Field Artillery.
 First Lieut. John Ray Hardin, Corps of Engineers.
 First Lieut. William Wilkeson Barton, Field Artillery.
 First Lieut. Maurice Place Chadwick, Field Artillery.
 First Lieut. Foster Joseph Tate, Field Artillery.
 First Lieut. Carl Robinson, Infantry.
 First Lieut. Richard Tobin Bennison, Field Artillery.
 First Lieut. Henry John Dick Meyer, Field Artillery.
 First Lieut. Elton Foster Hammond, Field Artillery.
 First Lieut. Ernest Marion Brannon, Infantry.
 First Lieut. Francis George McGill, Field Artillery.
 First Lieut. Luther Lyons Hill, Cavalry.
 First Lieut. Oscar Allan Saunders, Field Artillery.
 First Lieut. John Wyville Sheehy, Infantry.
 First Lieut. James Battle Rivers, Cavalry.
 First Lieut. John Joseph Burns, Field Artillery.
 First Lieut. Leslie Edgar Jacoby, Field Artillery.
 First Lieut. John Raikes Vance, Infantry.
 First Lieut. Clarence John Kanaga, Field Artillery.
 First Lieut. Richard Powell Ovenshine, Infantry.
 First Lieut. Edwin Virgil Kerr, Field Artillery.
 First Lieut. Thomas McGregor, Field Artillery.
 First Lieut. Harrison Howell Dodge Helberg, Cavalry.
 First Lieut. William Irwin Allen, Coast Artillery Corps.
 First Lieut. James Edmund Parker, Air Service.
 First Lieut. William Wesson Jervey, Cavalry.
 First Lieut. George Raymond Burgess, Coast Artillery Corps.
 First Lieut. Edward Lynde Strobbeln, Field Artillery.
 First Lieut. Maurice Keyes Kurtz, Field Artillery.
 First Lieut. William Holmes Wenstrom, Cavalry.
 First Lieut. Paul Lewis Harter, Coast Artillery Corps.
 First Lieut. Leo Clement Paquet, Infantry.
 First Lieut. Thomas Morris Crawford, Infantry.
 First Lieut. Eugene McGinley, Field Artillery.
 First Lieut. Hugh Brownrigg Waddell, Cavalry.
 First Lieut. Lester Delong Flory, Coast Artillery Corps.
 First Lieut. Isaac Halden Ritchie, Coast Artillery Corps.
 First Lieut. Augustine Francis Shea, Field Artillery.
 First Lieut. Carlisle Visscher Allan, Infantry.
 First Lieut. Marion Patton Echols, Field Artillery.
 First Lieut. Francis Otis Wood, Field Artillery.
 First Lieut. Hobart Hewett, Coast Artillery Corps.
 First Lieut. Waldemar Sven Broberg, Ordnance Department.
 First Lieut. James Holden Phillips, Cavalry.
 First Lieut. John Edwin Leahy, Cavalry.
 First Lieut. Frederick Weed Drury, Cavalry.
 First Lieut. Leander Dumbay Syme, Infantry.
 First Lieut. Ellis Vern Williamson, Field Artillery.
 First Lieut. Leroy Clark Wilson, Infantry.
 First Lieut. Nathaniel Alanson Burnell, 2d, Coast Artillery Corps.
 First Lieut. John Bartlett Murphy, Field Artillery.
 First Lieut. James Lowe Harbaugh, jr., Coast Artillery Corps.
 First Lieut. Virgil Farrar Shaw, Cavalry.
 First Lieut. Paul Alpheus Noel, Cavalry.
 First Lieut. Michael Gibson Smith, Field Artillery.
 First Lieut. Syril Emerson Faine, Infantry.
 First Lieut. Arthur Maxon Parsons, Infantry.
 First Lieut. Harry Welling Barrick, Infantry.
 First Lieut. William Travis Van de Graaff, Infantry.
 First Lieut. Howard Rand Perry, jr., Infantry.
 First Lieut. Edward Hamilton Young, Infantry.
 First Lieut. Nathan Arthur Smith, Infantry.
 First Lieut. Gerald St. Clare Mickle, Infantry.
 First Lieut. Benjamin Randolph Farrar, Infantry.
 First Lieut. Henry Ellis Sanderson, jr., Field Artillery.
 First Lieut. Hugh French Thomason Hoffman, Cavalry.
 First Lieut. David Stanley Holbrook, Cavalry.
 First Lieut. Walter Scott Winn, jr., Infantry.
 First Lieut. Willard Gordon Wyman, Cavalry.
 First Lieut. John Leonard Whitelaw, Infantry.
 First Lieut. Edward Henry Bowes, Infantry.
 First Lieut. Edwin Malcolm Sutherland, Infantry.
 First Lieut. Joseph Andrew Holly, Infantry.
 First Lieut. Henry Baldwin Nichols, Infantry.
 First Lieut. William Douglas McNair, Field Artillery.
 First Lieut. Charles Forrest Wilson, Coast Artillery Corps.
 First Lieut. Robert Francis Carter, Infantry.
 First Lieut. Hugh Garnett Elliott, jr., Field Artillery.
 First Lieut. Nathan Farragut Twining, Infantry.)
 First Lieut. William John Crowe, Cavalry.
 First Lieut. George Whitfield MacMillan, Coast Artillery Corps.
 First Lieut. L. Hoyt Rockafellow, Infantry.
 First Lieut. Percy Emery Hunt, Infantry.
 First Lieut. Roland William McNamee, Infantry.
 First Lieut. John Carpenter Raaen, Infantry.
 First Lieut. Winfred George Skelton, Infantry.
 First Lieut. Lambert Benel Cain, Infantry.
 First Lieut. Edmund Bower Sebree, Infantry.
 First Lieut. Ignatius Lawrence Donnelly, Infantry.
 First Lieut. Merritt Brandon Booth, Infantry.
 First Lieut. Raymond Clegg Barlow, Infantry.
 First Lieut. Frank Greene Davis, Infantry.
 First Lieut. Emmett James Bean, Infantry.
 First Lieut. Donald Allen Fay, Infantry.
 First Lieut. Charles Henry Noble, Cavalry.
 First Lieut. Walter Towle O'Reilly, Field Artillery.
 First Lieut. Kenneth Pierce, Infantry.
 First Lieut. Charles Henry Bryan, Cavalry.
 First Lieut. John Endler, Infantry.
 First Lieut. John Howell Collier, Cavalry.
 First Lieut. Dean Luce, Coast Artillery Corps.
 First Lieut. Vincent Coyle McAlevy, Cavalry.
 First Lieut. George Gordon Elms, Cavalry.
 First Lieut. John Dimmick Armstrong, Infantry.
 First Lieut. Ralph Francis Stearley, Cavalry.
 First Lieut. Donald Handley Nelson, Cavalry.
 First Lieut. Edward Ora Hopkins, Field Artillery.
 First Lieut. James Verne Cole, Infantry.
 First Lieut. Ralph Bernard Kindley, Infantry.
 First Lieut. John Adams Bruckner, jr., Infantry.
 First Lieut. Clarence Archibald Frank, Infantry.
 First Lieut. Frederick Brodstreet Dodge, jr., Coast Artillery Corps.
 First Lieut. Clarkson Dewoise McNary, Infantry.
 First Lieut. Bernard Abert Byrne, jr., Infantry.
 First Lieut. Warren Wilson Christian, Infantry.
 First Lieut. Dale Wilford Maher, Cavalry.
 First Lieut. Robert Barrett Hutchins, Infantry.
 First Lieut. Joseph William Kullman, Infantry.
 First Lieut. George Dewey Rogers, Infantry.
 First Lieut. Robert Jones Merrick, Cavalry.
 First Lieut. William Henry John Dunham, Coast Artillery Corps.
 First Lieut. Irvin Alexander, Infantry.
 First Lieut. John Harvey Madison, Coast Artillery Corps.
 First Lieut. George Edward Bruner, Infantry.
 First Lieut. Thomas Llewellyn Waters, Coast Artillery Corps.
 First Lieut. Urban Niblo, Field Artillery.
 First Lieut. Kenneth Sharp Olson, Infantry.
 First Lieut. William Leighton McEneary, Cavalry.
 First Lieut. Robert Montgomery Springer, Infantry.
 First Lieut. Russell John Nelson, Infantry.

- First Lieut. Charles Maine Wolff, Coast Artillery Corps.
 First Lieut. Simon Foss, Infantry.
 First Lieut. Davis Ward Hale, Cavalry.
 First Lieut. Edward Melvin Starr, Infantry.
 First Lieut. Joseph Sladen Bradley, Infantry.
 First Lieut. Arthur Lancelot Moore, Infantry.
 First Lieut. Robert William Crichlow, jr., Coast Artillery Corps.
 First Lieut. Martin Anthony Fennell, Cavalry.
 First Lieut. Ralph Harris Bassett, Infantry.
 First Lieut. Harold Allen Brown, Infantry.
 First Lieut. Albert Sidney Johnston Stovall, jr., Cavalry.
 First Lieut. Donald Carson Hardin, Infantry.
 First Lieut. Wayne Clifton Zimmerman, Infantry.
 First Lieut. John Thomas Keeley, Infantry.
 First Lieut. James Wellington Boyd, Coast Artillery Corps.
 First Lieut. Joseph Conrad Odell, Infantry.
 First Lieut. Josiah Toney Dalbey, Infantry.
 First Lieut. Logan Osborn Shutt, Infantry.
 First Lieut. Stuart Little, Infantry.
 First Lieut. Hilton Edward Heineke, Infantry.
 First Lieut. Galen Magnus Taylor, Coast Artillery Corps.
 First Lieut. John Francis Lavagnino, Infantry.
 First Lieut. Daniel Philip Buckland, Cavalry.
 First Lieut. Phillip McIlvaine Whitney, Infantry.
 First Lieut. John Morris Works, Field Artillery.
 First Lieut. Christian Hildebrand, Infantry.
 First Lieut. Joseph Holleman Warren, Infantry.
 First Lieut. Edgar Mortimer Gregory, Coast Artillery Corps.
 First Lieut. John David Frederick, Infantry.
 First Lieut. Richard Ray Coursey, Infantry.
 First Lieut. Dwight Lyman Adams, Infantry.
 First Lieut. Thomas Gordon Cranford, jr., Coast Artillery Corps.
 First Lieut. Lester George Degnan, Infantry.
 First Lieut. Henry Bennett Sheets, Infantry.
 First Lieut. Archie William Cooley, Infantry.
 First Lieut. William Robert McMaster, Infantry.
 First Lieut. Cornelius Emmett O'Connor, Infantry.
 First Lieut. Joseph Alfred Cranston, jr., Infantry.
 First Lieut. Willard Leslie Isaacs, Infantry.
 First Lieut. Horace Speed, jr., Coast Artillery Corps.
 First Lieut. Fred William Makinney, jr., Cavalry.
 First Lieut. William Benjamin Kean, jr., Infantry.
 First Lieut. Harold Robert Emery, Infantry.
 First Lieut. David Sanderson McLean, Infantry.
 First Lieut. William Joseph Moroney, Infantry.
 First Lieut. Russell Lowell Williamson, Air Service.
 First Lieut. Howard Dohla Johnston, Infantry.
 First Lieut. Franklin Leroy Rash, Infantry.
 First Lieut. Edgar Harvey Snodgrass, Infantry.
 First Lieut. Claude Birkett Ferenbaugh, Infantry.
 First Lieut. Adna Chaffee Hamilton, Infantry.
 First Lieut. Harold Stuart Ruth, Infantry.
 First Lieut. Sterling Eugene Whitesides, jr., Infantry.
 First Lieut. Lewis Stone Sorley, jr., Infantry.
 First Lieut. Albert Coady Wedemeyer, Infantry.
 First Lieut. David Best Latimer, Coast Artillery Corps.
 First Lieut. Roswell Boyle Hart, Infantry.
 First Lieut. Halvor Hegland Myrah, Coast Artillery Corps.
 First Lieut. Herbert Joseph Riess, Infantry.
 First Lieut. Henry Ignatius Szymanski, Infantry.
 First Lieut. Ulric Lee Pomby, Infantry.
 First Lieut. Frederick Brenton Porter, Field Artillery.
 First Lieut. Bryan Sewall Halter, Infantry.
 First Lieut. Charles Raymond Gross, Infantry.
 First Lieut. Charles Hardy Hart, jr., Infantry.
 First Lieut. Adolphus Rankin McConnell, Air Service.
 First Lieut. William James Daw, Field Artillery.
 First Lieut. Louis Bernard Saxe, Quartermaster Corps.
 First Lieut. George De Vere Barnes, Quartermaster Corps.
 First Lieut. Paul Robert Menzies Miller, Field Artillery.
 First Lieut. Albert Smith Rice, Infantry.
 First Lieut. Charles Linton Williams, Infantry.
 First Lieut. Charles Ream Jackson, Infantry.
 First Lieut. Charles Leslie Keerans, jr., Infantry.
 First Lieut. Fred Cleveland Fishback, Air Service.
 First Lieut. George Oliver Roberson, Air Service.
 First Lieut. Kenneth Newton Walker, Air Service.
 First Lieut. John Lawrence Hanley, Coast Artillery Corps.
 First Lieut. Stanley Hunsicker Hunsicker, Quartermaster Corps.
 First Lieut. Neal Henry McKay, Quartermaster Corps.
 First Lieut. Earl Raymond Adlington, Quartermaster Corps.
 First Lieut. James Wesley Willford, Quartermaster Corps.
 First Lieut. Stanleigh Megargee, Quartermaster Corps.
 First Lieut. Oscar Leslie Rogers, Air Service.
 First Lieut. Roger Frederic O'Leary, Quartermaster Corps.
 First Lieut. Joseph Allen Physioc, jr., Air Service.
 First Lieut. Samuel Perham Mills, Air Service.
 First Lieut. Edgar Theodore Selzer, Air Service.
 First Lieut. Albert Joseph Lubbe, Signal Corps.
 First Lieut. George Raymond Ensminger, Ordnance Department.
 First Lieut. John Bicknell Luscombe, Quartermaster Corps.
 First Lieut. Charles Harold Howard, Air Service.
 First Lieut. Edward Alton Hillery, Air Service.
 First Lieut. Hugh Sydney Harpole, Quartermaster Corps.
 First Lieut. Homer William Jones, Quartermaster Corps.
 First Lieut. Everett Sanford Davis, Air Service.
 First Lieut. Frank Egerton Powell, Quartermaster Corps.
 First Lieut. Bradford Nelson Headley, Quartermaster Corps.
 First Lieut. Frederick Irving Patrick, Air Service.
 First Lieut. Donald Reuben Goodrich, Air Service.
 First Lieut. Carl Henry Barrett, Air Service.
 First Lieut. Francis Hill Kuhn, Quartermaster Corps.
 First Lieut. John Harvey Wilson, Air Service.
 First Lieut. John Daniel O'Connell, Quartermaster Corps.
 First Lieut. Harold Brand, Air Service.
 First Lieut. Edward Watson Kelley, Infantry.
 First Lieut. Claud Thomas Gunn, Coast Artillery Corps.
 First Lieut. Edward Freeman, Philippine Scouts.
 First Lieut. Herbert Benjamin Wilcox, Infantry.
 First Lieut. Robert Hilton Eichelsdoerfer, Cavalry.
 First Lieut. Otto Max Jank, Coast Artillery Corps.
 First Lieut. James William Smith, Philippine Scouts.
 First Lieut. Thomas Houston Dameron, Field Artillery.
 First Lieut. Paul Evert, Air Service.
 First Lieut. Paul Americus Harris, Coast Artillery Corps.
 First Lieut. Jefferson Cleveland Campbell, Field Artillery.
 First Lieut. Hugh Franklin Conrey, Field Artillery.
 First Lieut. Edwin Clark Maling, Infantry.
 First Lieut. Richard Head Trippe, Infantry.
 First Lieut. Paul Edward Jackson, Infantry.
 First Lieut. O. D. Wells, Infantry.
 First Lieut. Frank Celestine Meade, Coast Artillery Corps.
 First Lieut. Paul Wallace Cole, Coast Artillery Corps.
 First Lieut. Everett Samuel Prouty, Infantry.
 First Lieut. Charles Speir Lawrence, Infantry.
 First Lieut. John Corwin Shaw, Infantry.
 First Lieut. William Cadwader Price, jr., Infantry.
 First Lieut. Clarence Matthew Tomlinson, Infantry.
 First Lieut. Eugene Reedy Guild, Coast Artillery Corps.
 First Lieut. Julian Buckner Haddon, Air Service.
 First Lieut. Claude Delorum Collins, Infantry.
 First Lieut. William Hugh Burns, Field Artillery.
 First Lieut. William Eldridge Moore, Quartermaster Corps.
 First Lieut. Osborne Cutler Wood, Infantry.
 First Lieut. Clem Oliver Gunn, Coast Artillery Corps.
 First Lieut. Wilber Russell Ellis, Coast Artillery Corps.
 First Lieut. Donald Weldon Brann, Infantry.
 First Lieut. George Bernhard Anderson, Coast Artillery Corps.
 First Lieut. Walter John Wolfe, Coast Artillery Corps.
 First Lieut. Roswell Emory Round, Infantry.
 First Lieut. William J. McChesney, jr., Cavalry.
 First Lieut. Maxwell Michaux Corpening, Field Artillery.
 First Lieut. Howard Farmer, Quartermaster Corps.
 First Lieut. Clyde Harrison Lamb, Infantry.
 First Lieut. Fred Ross Cowan, Quartermaster Corps.
 First Lieut. Lester Frank Watson, Quartermaster Corps.
 First Lieut. William Edwin Vecqueray, Quartermaster Corps.
 First Lieut. Haynie McCormick, Air Service.
 First Lieut. Arthur Henry Wolf, Infantry.
 First Lieut. Albert Theodore Wilson, Infantry.
 First Lieut. Leonard Vezina, Quartermaster Corps.
 First Lieut. Hartwell Matthew Elder, Quartermaster Corps.
 First Lieut. Housan Wayne Duncan, Field Artillery.
 First Lieut. Park Holland, Air Service.
 First Lieut. John Gross, Field Artillery.
 First Lieut. Earle Everette Cox, Cavalry.
 First Lieut. Thomas Russell Howard, Infantry.
 First Lieut. Samuel James Adams, Infantry.
 First Lieut. William Henry Webb, Coast Artillery Corps.
 First Lieut. Albert Gillian Kelly, Infantry.
 First Lieut. Wayne McVeigh Pickels, Quartermaster Corps.
 First Lieut. Owen Russell Marriott, Field Artillery.
 First Lieut. Frank Joseph Vida, Infantry.
 First Lieut. Harold Patrick Henry, Infantry.
 First Lieut. Harry Woldren French, Infantry.
 First Lieut. Dwight Joseph Canfield, Air Service.

- First Lieut. Fred Pierce Van Duzee, Infantry.
 First Lieut. Charles Leland Webber, Air Service.
 First Lieut. Arthur Gillette Watson, Air Service.
 First Lieut. Henry Thomason Burtis, Air Service.
 First Lieut. Burns Beall, Infantry.
 First Lieut. John Bartlett Hess, Infantry.
 First Lieut. Allen Francis Haynes, Infantry.
 First Lieut. Harold Gaslin Sydenham, Infantry.
 First Lieut. Hugh Cromer Minter, Air Service.
 First Lieut. George Windle Read, jr., Cavalry.
 First Lieut. James Barlow Cullum, jr., Corps of Engineers.
 First Lieut. Francis Hudson Oxx, Corps of Engineers.
 First Lieut. Thomas Henry Stanley, Corps of Engineers.
 First Lieut. Donald Greeley White, Corps of Engineers.
 First Lieut. Henry George Lambert, Corps of Engineers.
 First Lieut. William Weston Bessell, jr., Corps of Engineers.
 First Lieut. Charles George Holle, Corps of Engineers.
 First Lieut. Arthur Martin Andrews, Corps of Engineers.
 First Lieut. Edward Crosby Harwood, Corps of Engineers.
 First Lieut. John Wylie Moreland, Corps of Engineers.
 First Lieut. Wayne Stewart Moore, Corps of Engineers.
 First Lieut. Henry Franklin Hannis, Corps of Engineers.
 First Lieut. Arthur Lee McCullough, Corps of Engineers.
 First Lieut. Edward Albert Routheau, Field Artillery.
 First Lieut. Theodore Temple Knappen, Corps of Engineers.
 First Lieut. Godfrey Douglas Adamson, Field Artillery.
 First Lieut. Wilson Burnett Higgins, Corps of Engineers.
 First Lieut. Albert Newell Tanner, jr., Corps of Engineers.
 First Lieut. William Alter Watson, Field Artillery.
 First Lieut. Frederic Lord Hayden, Coast Artillery Corps.
 First Lieut. Warren Cressman Rutter, Coast Artillery Corps.
 First Lieut. Harold Frank Handy, Field Artillery.
 First Lieut. Richard Clare Partridge, Field Artillery.
 First Lieut. Edward John McGaw, Field Artillery.
 First Lieut. Harold Thomas Miller, Corps of Engineers.
 First Lieut. Volney Archer Poulson, Corps of Engineers.
 First Lieut. Tyree Rivers Horn, Field Artillery.
 First Lieut. William Chamberlain Coe, Coast Artillery Corps.
 First Lieut. James Woodrow Clark, Corps of Engineers.
 First Lieut. Joseph Leo Langevin, Field Artillery.
 First Lieut. William Hardy Hill, Field Artillery.
 First Lieut. Louis Jacob Claterbos, Corps of Engineers.
 First Lieut. Auguste Rhu Taylor, Field Artillery.
 First Lieut. James Kenneth Mitchell, Cavalry.
 First Lieut. Frank Andrew Henning, Field Artillery.
 First Lieut. James Malcolm Lewis, Field Artillery.
 First Lieut. Bernard Linn Robinson, Corps of Engineers.
 First Lieut. John Robert Culleton, Field Artillery.
 First Lieut. James Goodrich Renno, Coast Artillery Corps.
 First Lieut. Charles Steinhart Whitmore, Field Artillery.
 First Lieut. James Hobson Stratton, Corps of Engineers.
 First Lieut. Lee Armstead Denson, jr., Coast Artillery Corps.
 First Lieut. Ewart Gladstone Plank, Corps of Engineers.
 First Lieut. Lawrence Granger Smith, Cavalry.
 First Lieut. Edward Haviland Lastayo, Field Artillery.
 First Lieut. Alexander Romeyn MacMillan, Coast Artillery Corps.
 First Lieut. Roy Winne Barhydt, Infantry.
 First Lieut. George DeGraaf, Field Artillery.
 First Lieut. Lathrop Ray Bullene, Coast Artillery Corps.
 First Lieut. James Alexander Samouce, Field Artillery.
 First Lieut. William Wallace Ford, Field Artillery.
 First Lieut. George Dewey Vanture, Field Artillery.
 First Lieut. Pastor Martelino, Philippine Scouts.
 First Lieut. Harry Earl Fisher, Corps of Engineers.
 First Lieut. Donald Sylvester Burns, Corps of Engineers.
 First Lieut. Donald James Leehey, Corps of Engineers.
 First Lieut. Carl Edwin Berg, Field Artillery.
 First Lieut. Joseph Eugene Harriman, Coast Artillery Corps.
 First Lieut. George Joseph Loupret, Coast Artillery Corps.
 First Lieut. William Squires Wood, jr., Field Artillery.
 First Lieut. Thomas Arnett Roberts, jr., Field Artillery.
 First Lieut. Verne Donald Mudge, Cavalry.
 First Lieut. John Loren Goff, Coast Artillery Corps.
 First Lieut. Francis Henry Morse, Field Artillery.
 First Lieut. Edward Macon Edmonson, Field Artillery.
 First Lieut. William Gordon Holder, Coast Artillery Corps.
 First Lieut. Halstead Clotworthy Fowler, Coast Artillery Corps.
 First Lieut. Lyman Louis Lemnitzer, Coast Artillery Corps.
 First Lieut. Leslie Burgess Downing, Field Artillery.
 First Lieut. William Ignatius Brady, Field Artillery.
 First Lieut. Eugene Martin Link, Field Artillery.
 First Lieut. Charles Himmier, Coast Artillery Corps.
 First Lieut. John States Seybold, Corps of Engineers.
 First Lieut. Cornelius Garrison, Field Artillery.
 First Lieut. William Harry Bartlett, Field Artillery.
 First Lieut. Donald Breen Herron, Coast Artillery Corps.
 First Lieut. Edward Clinton Gillette, jr., Field Artillery.
 First Lieut. Russell Owen Smith, Field Artillery.
 First Lieut. Freeman Grant Cross, Field Artillery.
 First Lieut. Rex Van Den Corput, jr., Field Artillery.
 First Lieut. Homer Watson Kiefer, Field Artillery.
 First Lieut. James Myron McMillin, Chemical Warfare Service.
 First Lieut. Joseph Harris, Coast Artillery Corps.
 First Lieut. John George Howard, Field Artillery.
 First Lieut. Ford Trimble, Field Artillery.
 First Lieut. Robert Hugh Kreuter, Coast Artillery Corps.
 First Lieut. Laurence Wood Bartlett, Coast Artillery Corps.
 First Lieut. Donald Frank Stace, Air Service.
 First Lieut. Reynolds Johnston Burt, jr., Corps of Engineers.
 First Lieut. Edgar Allan Gilbert, jr., Cavalry.
 First Lieut. Leslie Emmett Mabus, Infantry.
 First Lieut. John Dickerson Mitchell, Coast Artillery Corps.
 First Lieut. Clarence Henry Schabacker, Coast Artillery Corps.
 First Lieut. Ewart Jackson Strickland, Coast Artillery Corps.
 First Lieut. Fred Lebbeus Hamilton, Cavalry.
 First Lieut. Robert Snyder Trimble, jr., Coast Artillery Corps.
 First Lieut. John Francis Cassidy, Coast Artillery Corps.
 First Lieut. John Foxhall Sturman, jr., Coast Artillery Corps.
 First Lieut. Joseph Jacob Billo, Infantry.
 First Lieut. Wilbert Engdahl Shallene, Cavalry.
 First Lieut. Robert Francis Watt, Infantry.
 First Lieut. Clarence Clemens Clendenen, Cavalry.
 First Lieut. William Carleton McFadden, Coast Artillery Corps.
 First Lieut. Eugene Collum Johnston, Cavalry.
 First Lieut. James Ludwell Lake, jr., Cavalry.
 First Lieut. Hugh Whitaker Winslow, Coast Artillery Corps.
 First Lieut. James Hess Walker, Cavalry.
 First Lieut. Claude Eugene Haswell, Infantry.
 First Lieut. Lyman Lincoln Judge, Cavalry.
 First Lieut. Frank Needham Roberts, Infantry.
 First Lieut. Francis Henry Lanahan, jr., Field Artillery.
 First Lieut. Lawrence Edward Schick, Cavalry.
 First Lieut. Courtney Parker Young, Coast Artillery Corps.
 First Lieut. Henry Chester Hine, jr., Cavalry.
 First Lieut. Charles Frederick Beattie, Infantry.
 First Lieut. John Donald Robertson, Coast Artillery Corps.
 First Lieut. William Price Withers, Cavalry.
 First Lieut. Frederick Robert Pitts, Cavalry.
 First Lieut. Sherman Vitus Hasbrouck, Infantry.
 First Lieut. Arthur Kenley Hammond, Cavalry.
 First Lieut. Crump Garvin, Infantry.
 First Lieut. Martin Charles Casey, Coast Artillery Corps.
 First Lieut. Hamilton Peyton Ellis, Coast Artillery Corps.
 First Lieut. Thomas Dresser White, Infantry.
 First Lieut. Frederick Mixon Harris, Infantry.
 First Lieut. William Wallace McMillan, Cavalry.
 First Lieut. Dwight Acker Rosebaum, Infantry.
 First Lieut. Kenneth Gilpin Hoge, Cavalry.
 First Lieut. Donald Robert Van Sickler, Field Artillery.
 First Lieut. Richard Candler Singer, Field Artillery.
 First Lieut. John Henry Hoeffcker Hall, Infantry.
 First Lieut. Aladin James Hart, Cavalry.
 First Lieut. Robert Edwards, Cavalry.
 First Lieut. Jefferson Denman Box, Infantry.
 First Lieut. William Richter Toney, Infantry.
 First Lieut. Joseph Honore Rousseau, jr., Coast Artillery Corps.
 First Lieut. Lawrence Joseph Carr, Cavalry.
 First Lieut. Maurice Wiley Daniel, Field Artillery.
 First Lieut. Alexander Hamilton Perwein, Infantry.
 First Lieut. Clovis Ethelbert Byers, Cavalry.
 First Lieut. Tracey Enfield Davis, Infantry.
 First Lieut. Oscar Raymond Johnston, Infantry.
 First Lieut. George Andrew Rehm, Cavalry.
 First Lieut. Edward Carl Engelhart, Coast Artillery Corps.
 First Lieut. Charles Whitney West, Coast Artillery Corps.
 First Lieut. Park Brown Herrick, Field Artillery.
 First Lieut. Herbert Carl Reuter, Coast Artillery Corps.
 First Lieut. Helmer William Lystad, Infantry.
 First Lieut. Harold Edward Smyser, Infantry.
 First Lieut. Esber Claflin Burkart, Cavalry.
 First Lieut. Thomas Eginton Whitehead, Cavalry.
 First Lieut. Alexander George, Cavalry.
 First Lieut. Charles Kenon Gailey, jr., Infantry.
 First Lieut. Mortimer Frederick Wakefield, Field Artillery.

- First Lieut. Francis William Farrell, Infantry.
 First Lieut. Wilmer Brinton Merritt, Coast Artillery Corps.
 First Lieut. Harry Clark Wisehart, Coast Artillery Corps.
 First Lieut. John Irvin Gregg, jr., Cavalry.
 First Lieut. Charles Morton Adams, jr., Infantry.
 First Lieut. Frank Hoben Blodgett, Infantry.
 First Lieut. John Ferral McBlain, Air Service.
 First Lieut. Richard Meade Costigan, Field Artillery.
 First Lieut. Gustave Harold Vogel, Coast Artillery Corps.
 First Lieut. Basil Girard Thayer, Cavalry.
 First Lieut. Edward Joseph Sullivan, Chemical Warfare Service.
 First Lieut. James Perrine Barney, jr., Field Artillery.
 First Lieut. Wilbur Sturtevant Nye, Field Artillery.
 First Lieut. Charles Harlan Swartz, Field Artillery.
 First Lieut. Leland Stuart Smith, Coast Artillery Corps.
 First Lieut. Carl Frederick Duffner, Infantry.
 First Lieut. Wilburn Vastine Lunn, Coast Artillery Corps.
 First Lieut. Millard Pierson, Field Artillery.
 First Lieut. Francis Ward Walker, Coast Artillery Corps.
 First Lieut. Harold Oliver Sand, Cavalry.
 First Lieut. Harlan Thurston McCormick, Air Service.
 First Lieut. Henry Peter Burgard, 2d, Infantry.
 First Lieut. Alexander Gilbert Sand, Field Artillery.
 First Lieut. Ray Olander Welch, Infantry.
 First Lieut. George William Richard Wilson, Infantry.
 First Lieut. John Lamont Davidson, Air Service.
 First Lieut. Julian Erskine Raymond, Infantry.
 First Lieut. George Honnen, Infantry.
 First Lieut. Charles Porter Amazeen, Cavalry.
 First Lieut. Edward Thomas Williams, Field Artillery.
 First Lieut. Frank Thweatt Searcy, Infantry.
 First Lieut. George William Bailey, jr., Field Artillery.
 First Lieut. Henry Kirk Williams, jr., Coast Artillery Corps.
 First Lieut. Alan Lockhart Fulton, Cavalry.
 First Lieut. Terrence John Tully, Infantry.
 First Lieut. Paul Clarence Kelly, Infantry.
 First Lieut. James Miller Rudolph, Cavalry.
 First Lieut. William Earl Crist, Infantry.
 First Lieut. William Roe Brewster, Infantry.
 First Lieut. Claude Monroe McQuarrie, Infantry.
 First Lieut. William Lemuel Mitchell, Infantry.
 First Lieut. Harrison Guinther Travis, Infantry.
 First Lieut. Escalus Emmert Elliott, Field Artillery.
 First Lieut. Milton Cogswell Shattuck, Infantry.
 First Lieut. Joseph Vincent de Paul Dillon, Coast Artillery Corps.
 First Lieut. Hayden Adriance Sears, Cavalry.
 First Lieut. Newton Navada Jacobs, Infantry.
 First Lieut. John Thomas Lynch, Infantry.
 First Lieut. John Black Reybold, Cavalry.
 First Lieut. John Raul Guiteras, Infantry.
 First Lieut. William Dickey Long, Infantry.
 First Lieut. Henry Irving Hodes, Cavalry.
 First Lieut. Paul Earl Tombaugh, Field Artillery.
 First Lieut. Harvey Kenneth Greenlaw, Cavalry.
 First Lieut. William Joel Tudor Yancey, Infantry.
 First Lieut. Leon Eugene Lichtenwalter, Infantry.
 First Lieut. Sidney Rae Hinds, Infantry.
 First Lieut. Halley Grey Maddox, Cavalry.
 First Lieut. Snowden Ager, Cavalry.
 First Lieut. John English Nelson, Infantry.
 First Lieut. Harold Todd Turnbull, Coast Artillery Corps.
 First Lieut. Hugo Peoples Rush, Infantry.
 First Lieut. John William Wofford, Cavalry.
 First Lieut. Wray Bertrand Avera, Field Artillery.
 First Lieut. Charles Fox Ivins, Infantry.
 First Lieut. Walter Daniel Buie, Infantry.
 First Lieut. John Taylor Ward, Cavalry.
 First Lieut. John Elmer Reierson, Coast Artillery Corps.
 First Lieut. Henry Jackson Hunt, jr., Infantry.
 First Lieut. Mariano S. Sulit, Philippine Scouts.
 First Lieut. George Huston Bare, Infantry.
 First Lieut. Morris Haslett Marcus, Cavalry.
 First Lieut. Frank Zea Pirkey, Corps of Engineers.
 First Lieut. Karl William Hisgen, Field Artillery.
 First Lieut. Joseph Patterson Wardlaw, Field Artillery.
 First Lieut. James Harry Marsh, Infantry.
 First Lieut. Francis Warren Crary, Field Artillery.
 First Lieut. John Baylis Cooley, Cavalry.
 First Lieut. Selby Francis Little, Field Artillery.
 First Lieut. Milo Glen Cary, Coast Artillery Corps.
 First Lieut. Harold Joseph Conway, Coast Artillery Corps.
 First Lieut. Gustin MacAllister Nelson, Infantry.
 First Lieut. Frank Joseph Spettel, Infantry.
 First Lieut. Rupert Harris Johnson, Infantry.
 First Lieut. Burwell Baylor Wilkes, jr., Infantry.
 First Lieut. Edward Lowry Traylor, Infantry.
 First Lieut. John Barry Peirce, Infantry.
 First Lieut. James Raymond Goodall, Coast Artillery Corps.
 First Lieut. John Kenneth Sells, Cavalry.
 First Lieut. Douglas Cameron, Cavalry.
 First Lieut. Hobert Hayden James, Field Artillery.
 First Lieut. Eleuterio Susi Yanga, Philippine Scouts.
 First Lieut. Donald Raymond West, Quartermaster Corps.
 First Lieut. Robert Thomas Randel, Infantry.
 First Lieut. Arthur Jennings Grimes, Infantry.
 First Lieut. Walter Duval Webb, jr., Field Artillery.
 First Lieut. Ernest Starkey Noon, Air Service.
 First Lieut. Harry Craven Dayton, Field Artillery.
 First Lieut. Frank Thomas Honsinger, Air Service.
 First Lieut. Edward Charles Engelhardt, Field Artillery.
 First Lieut. Paul Massillion McConihe, Infantry.
 First Lieut. Chester Arthur Carlisten, Infantry.
 First Lieut. Joseph Myles Williams, Cavalry.
 First Lieut. Harold Arthur Doherty, Infantry.
 First Lieut. James Thomas Dismuke, Infantry.
 First Lieut. Lewis Eugene Snell, Field Artillery.
 First Lieut. Stanley Lane Engle, Infantry.
 First Lieut. Arnold Hoyer Rich, Infantry.
 First Lieut. Charles Dawson McAllister, Field Artillery.
 First Lieut. Vincent Joseph Tanzola, Infantry.
 First Lieut. Edward Albert Banning, Infantry.
 First Lieut. Frederic deLannoy Comfort, Cavalry.
 First Lieut. Henry Laurance Ingham, Field Artillery.
 First Lieut. Thomas Brown Manuel, Infantry.
 First Lieut. Percy Earle LeStourgeon, Infantry.
 First Lieut. George William White, Infantry.
 First Lieut. Russell Harold Swartzwelder, Infantry.
 First Lieut. Caryl Rawson Hazeltine, Infantry.
 First Lieut. Irvin Albert Robinson, Infantry.
 First Lieut. William Hypes Obenour, Field Artillery.
 First Lieut. Michael Henry Zwicker, Coast Artillery Corps.
 First Lieut. James Thorburn Cumberpatch, Air Service.
 First Lieut. Ralph Roth Wentz, Ordnance Department.
 First Lieut. Leon Valentine Chaplin, Field Artillery.
 First Lieut. Daniel Webster Kent, Infantry.
 First Lieut. Harold Goodspeede Laub, Coast Artillery Corps.
 First Lieut. Harry Lynch, Signal Corps.
 First Lieut. George Marion Davis, Infantry.
 First Lieut. Fay Warren Lee, Field Artillery.
 First Lieut. Keff Dobbs Barnett, Coast Artillery Corps.
 First Lieut. Melecio Manuel Santos, Philippine Scouts.
 First Lieut. Narciso Lopez Manzano, Philippine Scouts.
 First Lieut. Charles Emmett Cheeper, Quartermaster Corps.
 First Lieut. Vesper Anderson Schlenker, Field Artillery.
 First Lieut. Harry Meyer, Corps of Engineers.
 First Lieut. Peter Anthony Feringa, Corps of Engineers.
 First Lieut. John Russell Perkins, jr., Field Artillery.
 First Lieut. Edward Barber, Coast Artillery Corps.
 First Lieut. Edward Hall Walter, Corps of Engineers.
 First Lieut. David Albert Morris, Corps of Engineers.
 First Lieut. Juan Segundo Moran, Philippine Scouts.
 First Lieut. Paul Cone Parshley, Corps of Engineers.
 First Lieut. Lewis Wellington Call, jr., Coast Artillery Corps.
 First Lieut. Richardson Selee, Corps of Engineers.
 First Lieut. Luis Mobo Alba, Philippine Scouts.
 First Lieut. Don Waters Mayhue, Field Artillery.
 First Lieut. Charles Harold Crim, Coast Artillery Corps.
 First Lieut. John Harry, Field Artillery.
 First Lieut. Harold Oakes Bixby, Coast Artillery Corps.
 First Lieut. John Bruce Medaris, Infantry.
 First Lieut. George Randall Scithers, Field Artillery.
 First Lieut. John Henry Featherston, Coast Artillery Corps.
 First Lieut. Charles Andrews Jones, jr., Chemical Warfare Service.
 First Lieut. William Conrad Jones, Infantry.
 First Lieut. Hubert Stauffer Miller, Infantry.
 First Lieut. Edward Harold Coe, Infantry.
 First Lieut. Allan Eugene Smith, Field Artillery.
 First Lieut. Daniel Burnett Knight, Infantry.
 First Lieut. Paul MacKeen Martin, Cavalry.
 First Lieut. Creswell Garrettson Blakeney, Field Artillery.
 First Lieut. Louis Jeter Tatom, Signal Corps.
 First Lieut. George Wythe Bott, jr., Ordnance Department.
 First Lieut. Louis Watkins Prentiss, Field Artillery.
 First Lieut. William Edmund Waters, Field Artillery.
 First Lieut. Joseph Kennard Bush, Infantry.
 First Lieut. Orlando Clarendon Mood, Infantry.
 First Lieut. John Oliver Kelly, Coast Artillery Corps.

First Lieut. Bert Nathan Bryan, Infantry.
 First Lieut. Harvie Rogers Matthews, Infantry.
 First Lieut. Louis Beman Rapp, Cavalry.
 First Lieut. Edwards Matthews Quigley, Field Artillery.
 First Lieut. James Breckenridge Clearwater, Field Artillery.
 First Lieut. Joseph Warren Huntress, jr., Quartermaster Corps.
 First Lieut. Luther Daniel Wallis, Infantry.
 First Lieut. William Daniel Bradshaw, Field Artillery.
 First Lieut. Wesley Tate Guest, Signal Corps.
 First Lieut. Duncan Philip Frissell, Infantry.
 First Lieut. Henry Hammond Duval, Coast Artillery Corps.
 First Lieut. Charles Edward Neagle, Coast Artillery Corps.
 First Lieut. John William Dwyer, Coast Artillery Corps.
 First Lieut. Alfred Vepsala, Field Artillery.
 First Lieut. Edmund C. Langmead, Air Service.
 First Lieut. Carroll Heiney Deitrick, Ordnance Department.
 First Lieut. Burton Larrabee Pearce, Field Artillery.
 First Lieut. Alan Dean Whittaker, jr., Coast Artillery Corps.
 First Lieut. Lee W. Haney, Infantry.
 First Lieut. David William Goodrich, Air Service.
 First Lieut. Franklin Mitchell, Infantry.
 First Lieut. Wallace Ellsworth Niles, Infantry.
 First Lieut. Lewis Edward Weston Lepper, Field Artillery.
 First Lieut. Edward Harris Barr, Field Artillery.
 First Lieut. James Augustus Whelen, jr., Cavalry.
 First Lieut. James Roscoe Hamilton, Infantry.
 First Lieut. Joe Robert Sherr, Signal Corps.
 First Lieut. Henry Chester Jones, Infantry.
 First Lieut. Louis Simelson, Infantry.
 First Lieut. Frank Weddall Simpson, Coast Artillery Corps.
 First Lieut. Louis Leopold Lesser, Field Artillery.
 First Lieut. Walter Francis Jennings, Cavalry.
 First Lieut. Edward Cuyler Applegate, Infantry.
 First Lieut. Henry Louis Love, Field Artillery.
 First Lieut. Cranford Coleman Bryan Warden, Infantry.
 First Lieut. William Dawes Williams, Field Artillery.
 First Lieut. William Thomas Semmes Roberts, Infantry.
 First Lieut. McDonald Donegan Weinert, Infantry.
 First Lieut. John Walker Childs, Signal Corps.
 First Lieut. Carl Emil Hansen, Coast Artillery Corps.
 First Lieut. Charles Donald Clay, Infantry.
 First Lieut. Wilmar Weston Dewitt, Infantry.
 First Lieut. James Milliken Bevans, Field Artillery.
 First Lieut. Floyd Raymond Brisack, Field Artillery.
 First Lieut. Clarence Everett Jackson, Infantry.
 First Lieut. Edward Joseph Walsh, Infantry.
 First Lieut. Haydn Purcell Roberts, Field Artillery.
 First Lieut. Aaron Grayson Dawson, Infantry.
 First Lieut. Alan Sydney Rush, Infantry.
 First Lieut. Clifford Cleophas Duell, Field Artillery.
 First Lieut. Lauren Blakely Hitchcock, Field Artillery.
 First Lieut. Thomas Archer Bottomley, Infantry.
 First Lieut. William Orville Collins, Infantry.
 First Lieut. William Larwill Carr, Field Artillery.
 First Lieut. Russell George Duff, Field Artillery.
 First Lieut. Ross Clyde Brackney, Infantry.
 First Lieut. John Randolph Reilly, Infantry.
 First Lieut. Roy Prewett Huff, Field Artillery.
 First Lieut. Herbert John Affleck, Infantry.
 First Lieut. Nicolas Boadilla Dalao, Philippine Scouts.
 First Lieut. Lawrence August Dietz, Infantry.
 First Lieut. Paul Hanes Kemmer, Air Service.
 First Lieut. Elmo Shingle, Infantry.
 First Lieut. Richard Sears, Field Artillery.
 First Lieut. John James Baker, Infantry.
 First Lieut. George Louis Boyle, Infantry.
 First Lieut. Robert Brice Johnston, Infantry.
 First Lieut. Paul Ainsworth Berkey, Field Artillery.
 First Lieut. Robert Clyde Padley, Coast Artillery Corps.
 First Lieut. Dana Gray McBride, Cavalry.
 First Lieut. Donald Boyer Phillips, Air Service.
 First Lieut. William Wallace Robertson, Infantry.
 First Lieut. William Peyton Campbell, Field Artillery.
 First Lieut. Harry Starkey Aldrich, Coast Artillery Corps.
 First Lieut. Hugh Perry Adams, Field Artillery.
 First Lieut. Cecil Elmore Archer, Air Service.
 First Lieut. Thomas Edward Moore, Field Artillery.
 First Lieut. Robert Du Val Waring, Field Artillery.
 First Lieut. Stephen Yates McGiffert, Field Artillery.
 First Lieut. John Otis Hyatt, Infantry.
 First Lieut. Louis Meline Merrick, Cavalry.
 First Lieut. LeRoy Ponton de Arce, Air Service.
 First Lieut. Lee Roy Woods, jr., Field Artillery.
 First Lieut. Rex Hunter Donaldson, Field Artillery.

First Lieut. Dudley Warren Watkins, Air Service.
 First Lieut. Arthur Nathaniel Willis, Cavalry.
 First Lieut. Lyman Perley Whitten, Air Service.
 First Lieut. Lawrence William Kinney, Field Artillery.
 First Lieut. Ray Henry Clark, Air Service.
 First Lieut. Homer Wilbur Ferguson, Field Artillery.
 First Lieut. Earl Albert Hutchings, Infantry.
 First Lieut. James Richmond Simpson, Infantry.
 First Lieut. Philip Schwartz, Ordnance Department.
 First Lieut. Richard Brown Thornton, Infantry.
 First Lieut. Pacifico C. Sevilla, Philippine Scouts.
 First Lieut. Charles Nicholas Senn Ballou, Infantry.
 First Lieut. John Cyril Delaney, Coast Artillery Corps.
 First Lieut. Samuel Rubin, Coast Artillery Corps.
 First Lieut. Donald Wallace Norwood, Air Service.
 First Lieut. Waldon Sharp Lewis, Infantry.
 First Lieut. Andrew Julius Evans, Infantry.
 First Lieut. Paul Corson Howe, Coast Artillery Corps.
 First Lieut. Albert Ruth, Infantry.
 First Lieut. Robert Edward Robillard, Air Service.
 First Lieut. Donald McKechnie Ashton, Infantry.
 First Lieut. Edward Alfred Mueller, Infantry.
 First Lieut. Robert William Calvert Wimsatt, Air Service.
 First Lieut. Amado Martelino, Philippine Scouts.
 First Lieut. Victor Z. Gomez, Philippine Scouts.
 First Lieut. David Theodore Rosenthal, Corps of Engineers.
 First Lieut. Clayton Huddle Studebaker, Field Artillery.
 First Lieut. Albert James Wick, Coast Artillery Corps.
 First Lieut. Joseph Brenner, Infantry.
 First Lieut. Raymond Taylor Tompkins, Field Artillery.
 First Lieut. George Alfred Arnold Jones, Field Artillery.
 First Lieut. George Evans Burritt, Field Artillery.
 First Lieut. William Madison Mack, Signal Corps.
 First Lieut. Robert Crane Hendley, Field Artillery.
 First Lieut. Walter J. Klepinger, Field Artillery.
 First Lieut. Grady David Epps, Infantry.
 First Lieut. Frank Charles McConnell, Coast Artillery Corps.
 First Lieut. Dale Phillip Mason, Signal Corps.
 First Lieut. Donald Fowler Fritch, Field Artillery.
 First Lieut. Nemeso Catalan, Philippine Scouts.
 First Lieut. James Madison Callenti, Field Artillery.
 First Lieut. Reginald Pond Lyman, Cavalry.
 First Lieut. James Stuart Wallingford, Infantry.
 First Lieut. Albert Sidney Howell, jr., Infantry.
 First Lieut. John Sharpe Griffith, Infantry.
 First Lieut. Pio Quevedo Caluya, Philippine Scouts.
 First Lieut. George Work Marvin, Infantry.

PROMOTIONS IN THE NAVY.

Capt. Montgomery M. Taylor to be a rear admiral in the Navy from the 1st day of October, 1922.

Capt. Carl T. Vogelgesang to be a rear admiral in the Navy from the 15th day of October, 1922.

The following-named commanders to be captains in the Navy from the 3d day of June, 1922:

Robert L. Berry.

William R. Sayles, jr.

Edwin H. Dodd.

Commander Louis Shane, an additional number in grade, to be a captain in the Navy from the 3d day of June, 1922.

Commander John G. Church to be a captain in the Navy from the 1st day of October, 1922.

Commander Herbert C. Cocks to be a captain in the Navy from the 15th day of October, 1922.

Lieut. Commander Leigh M. Stewart to be a commander in the Navy from the 21st day of May, 1922.

The following-named lieutenant commanders to be commanders in the Navy from the 3d day of June, 1922:

Francis M. Robinson.

Damon E. Cummings.

Robert W. Cabaniss.

Warren G. Child.

Weyman P. Beehler.

Bryson Bruce.

Joseph S. Evans.

Vaughn V. Woodward.

Charles A. Dunn.

Robert T. S. Lowell.

Archibald G. Stirling.

Richard S. Edwards.

David A. Scott.

Clyde R. Robinson.

Lemuel M. Stevens.

Irving H. Mayfield.

John W. W. Cumming.

Harvey W. McCormack.

Horace T. Dyer.

Philip H. Hammond.

Russell S. Crenshaw.

John M. Schelling.

Herbert S. Babbitt.

Bert B. Taylor.

Randall Jacobs.

Lieut. Commander William O. Wallace to be a commander in the Navy, from the 7th day of July, 1922.

Lieut. Commander William S. Farber to be a commander in the Navy, from the 15th day of October, 1922.

Lieut. Commander George M. Ravenscroft to be a commander in the Navy, from the 12th day of November, 1922.

Lieut. Ralph E. Sampson to be a lieutenant commander in the Navy, from the 3d day of June, 1921.

Lieut. John R. Peterson, jr., to be a lieutenant commander in the Navy, from the 31st day of December, 1921.

Lieut. Joseph McE. Smith to be a lieutenant commander in the Navy, from the 19th day of April, 1922.

Lieut. George J. McMillin to be a lieutenant commander in the Navy, from the 27th day of April, 1922.

Lieut. William H. O'Brien, jr., to be a lieutenant commander in the Navy, from the 2d day of May, 1922.

Lieut. Howard F. Kingman to be a lieutenant commander in the Navy, from the 17th day of May, 1922.

Lieut. James G. B. Gromer to be a lieutenant commander in the Navy, from the 21st day of May, 1922.

The following named lieutenants to be lieutenant commanders in the Navy, from the 3d day of June, 1922:

William M. Quigley.	Lunsford L. Hunter.
Calvin H. Cobb.	Forrest U. Lake.
Norman Scott.	Elliott Buckmaster.
Richard P. Myers.	Walter S. DeLany.
Howard D. Bode.	Clarence Gulbranson.
Robert M. Doyle, jr.	Donald F. Patterson.
Morton L. Deyo.	Herbert G. Gates, jr.
Robert M. Hinckley.	Louis E. Denfeld.
Charles M. McMorris.	Nathan B. Chase.
John H. Holt, jr.	Alexander W. Loder.
Rivers J. Carstarphen.	Howard H. Good.
Lee C. Carey.	Carleton H. Wright.
Conrad Ridgely.	Herman E. Fischer.
Webb C. Hayes.	James A. Saunders.
Harold E. Snow.	Andrew C. Bennett.
Richard H. Booth.	Oliver W. Bagby.
Harold T. Bartlett.	James C. Clark.
Ralph S. Parr.	Carl G. Gilliland.
Virgil C. Griffin, jr.	Warren A. Shaw.
William A. Corley.	Guy C. Hitchcock.
Benjamin Perlman.	Ralph S. Wentworth.
Ernest G. Small.	Mahlon S. Tisdale.
Robertson J. Weeks.	Davis De Treville.
Harry G. Patrick.	Raymond E. Kerr.
Alfred E. Montgomery.	George H. Fort.
Eugene P. A. Simpson.	Ernest W. Broadbent.
Lawrence P. Bischoff.	Robert R. Thompson.
James C. Monfort.	Nelson W. Hibbs.
Harold Dodd.	Emory P. Eldredge.
Robert A. Hall.	Wentworth H. Osgood.
Anton B. Anderson.	Donald W. Hamilton.
George L. Woodruff.	Heister Hoogewerff.
Fred Welden.	George W. D. Dashiell.
Robert S. Haggart.	George W. La Mountain.
Philip Van Horn Weems.	William S. Hogg, jr.

Lieut. Stephan B. Robinson to be a lieutenant commander in the Navy from the 12th day of July, 1922.

Lieut. William G. Greenman to be a lieutenant commander in the Navy from the 23d day of August, 1922.

Lieut. (Junior Grade) Lewis H. McDonald to be a lieutenant in the Navy from the 6th day of June, 1920.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of July, 1920:

Marcus C. Miller.
Samuel H. Hurt.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 31st day of December, 1921:

William B. Stork.	Doile Greenwell.
Ralph G. Moody.	Marcus L. Kurtz.
William F. Schlegel.	Homer B. Davis.
Asa Van R. Watson.	John J. Clausey.
Ludwig W. Gumz.	Frederick Petry.
Henry A. Stuart.	Sol Shaw.
Walter B. Buchanan.	Wilmer W. Weber.
Elmer B. Robinson.	Raymond C. McDuffie.
William J. Graham.	Arthur L. Karns.
Clyde Morrison.	John F. W. Gray.
Elijah E. Tompkins.	Edwin Nelson.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of January, 1922:

Percival W. Buzby.
Carl Hupp.

Lieut. (Junior Grade) Stephen E. Haddon to be a lieutenant in the Navy from the 2d day of January, 1922.

Lieut. (Junior Grade) Frank A. Brandecker to be a lieutenant in the Navy from the 8th day of January, 1922.

Lieut. (Junior Grade) William E. McClendon to be a lieutenant in the Navy from the 1st day of February, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 11th day of February, 1922:

Henry C. Flanagan.
Frank A. Saunders.

Lieut. (Junior Grade) Jesse G. McFarland to be a lieutenant in the Navy from the 4th day of March, 1922.

Lieut. (Junior Grade) William Wakefield to be a lieutenant in the Navy from the 2d day of April, 1922.

Lieut. (Junior Grade) Richard C. Bartlett to be a lieutenant in the Navy from the 1st day of May, 1922.

Lieut. (Junior Grade) James D. Barner to be a lieutenant in the Navy from the 17th day of May, 1922.

Lieut. (Junior Grade) Clyde L. Lewis to be a lieutenant in the Navy from the 21st day of May, 1922.

Lieut. (Junior Grade) Malcolm F. Schoeffel to be a lieutenant in the Navy from the 26th day of May, 1922.

Lieut. (Junior Grade) Thomas G. W. Settle to be a lieutenant in the Navy from the 27th day of May, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 3d day of June, 1922:

Ralph A. Ofstie.	Philip P. Welch.
Herbert M. Scull.	James J. Hughes.
Howard W. Fitch.	John J. Patterson, 3d.
Gordon M. Jackson.	Adrian O. Rule, jr.
William E. Hilbert.	Walther G. Maser.
Albert T. Sprague, 3d.	Walton R. Read.
Thomas P. Jeter.	William E. Tarbutton.
David H. Clark.	Robert M. Smith, jr.
Festus F. Foster.	Paul H. Talbot.
James J. Graham.	Fred W. Beltz.
Valentine H. Schaeffer.	John G. Crawford.
John W. Roper.	James G. Atkins.
Harry B. Slocum.	Cyril K. Wildman.
Harry R. Thurber.	Carleton McGauly.
Lyle N. Morgan.	Giles E. Short.
Cuthbert A. Griffiths.	Harold M. Martin.
Harry M. Jones.	John R. Redman.
Ernest H. von Heimburg.	Arthur P. Thurston.
Douglas A. Powell.	Scott G. Lamb.
Rex L. Hicks.	John H. Cassidy.
Matthias B. Gardner.	Henry R. Herbst.
Creighton C. Carmine.	Henry D. Baggett.
Ernest E. Herrmann.	Ralph W. Hungerford.
Hugh W. Olds.	James D. Lowry, jr.
Hobart A. Sailor.	Eric M. Grimsley.
Adolph O. Gieselmann.	Charles L. Andrews, jr.
Jeffrey C. Metzler.	Alonzo B. Alexander.
Russell M. Ihrig.	Charles J. Rend.
Ralph H. Roberts.	Henry C. Fengar.
Eugene L. Kell.	Marshall R. Greer.
William C. Vose.	Harry A. Rochester.
Robert P. Briscoe.	Carl K. Fink.
James B. Sykes.	Walter C. Ansel.
Clarence H. Schildhauer.	Miles P. Duval, jr.
Franz O. Willenbacher.	Elmer R. Runquist.
William H. Ferguson.	Daniel M. McGurl.
Morton T. Seligman.	Stephen K. Hall.
John O. Huse.	Robert B. Crichton.
Charles J. Palmer.	James L. Holloway, jr.
Logan C. Ramsey.	John B. McDonald, jr.
William E. Clayton.	Paul D. Dingwell.
Julian B. Noble.	Frank V. Aler, jr.
Elmer R. Hill.	Francis H. Gilmer.
Bayard H. Colyear.	Charles R. Smith.
Charles B. Hunt.	Dixie Kiefer.
Albert P. Burleigh.	John L. Reynolds.
John B. Griggs, jr.	Ross A. Dierdorff.
Eliot H. Bryant.	Herbert S. Woodman.
David S. Crawford.	Desmond J. Sinnott.
Robert L. Boller.	Spencer H. Warner.
Ten Eyck De Witt Veeder, jr.	Robert F. MacNally.
Arthur F. Folz.	Samuel B. Ogden.
Truman E. Ayers.	Charles S. Seely.
Raymond G. Deewall.	William E. Phillips.
Charles M. Johnson.	Earl B. Brix.
Charles F. Waters.	Henry L. Pitts.
Percy A. Decker.	Edward J. Lysaught.
Charles R. Jeffs.	Edward B. Peterson.
DeForest L. Trautman.	Joseph S. Ives.
Walter E. Andrews.	Caleb R. Crandall.
John E. Dingwell.	Raymond E. Farnsworth.
Leslie E. Gehres.	Norman E. Millar.
Leo L. Waite.	Raymond E. Daniels.
George H. Mills.	Lawrence S. Tichenor.
John C. Williams.	Hermann P. Knickerbocker.
Dorrance K. Day.	

*Lieut. (Junior Grade) Frederick W. Ickes to be a lieutenant in the Navy from the 1st day of July, 1922.

Lieut. (Junior Grade) Charles F. Grisham to be a lieutenant in the Navy from the 4th day of July, 1922.

Lieut. (Junior Grade) Howard R. Shaw to be a lieutenant in the Navy from the 16th day of August, 1922.

Ensign Samuel H. Hurt to be a lieutenant (junior grade) in the Navy from the 29th day of June, 1920.

Ensign Orrin R. Hewitt to be a lieutenant (junior grade) in the Navy from the 31st day of December, 1921.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 31st day of December, 1921:

Thomas Macklin.	James M. MacDonnell.
Robert G. Greenleaf.	Elery A. Zehner.
George D. Samonski.	Elmer J. McCluen.
Ernest W. Dobie.	Francis P. Brewer.
Michael J. Conlon.	Ralph A. Scott.
Frank Schultz.	Emmette F. Gumm.
August Logan.	Frank V. Shepard.
Norman McL. McDonald.	Harry F. Gray.
John P. Millon.	John F. P. Miller.
Alfred Doucet.	Albert R. Colwell.
Everest A. Whited.	Glenn O. Twiss.
George T. Campbell.	William P. Turner.
Warwick M. Tinsley.	Alfred R. Boileau.
John F. Piotrowski.	Thomas Fertner.
William K. Johnstone.	Carter E. Parker.
Clarence H. Fogg.	Joe S. Wier.
Abram L. Broughton.	Carl I. Ostrom.
William Klaus.	Brady J. Dayton.
Harold F. MacHugh.	Arthur D. Murray.
Loar Mansbach.	Joseph A. Clark.
William J. Russell.	Thom H. Williamson.
Clarence A. Hawkins.	George H. Toepfer.
William J. Poland.	Harry A. Wentworth.
Emil H. Petri.	Edward Danielson.
Harold Bye.	Ira W. Truitt.
George H. Turner.	Arthur Brown.
Percy S. Hogarth.	Philip L. Emerson.
John L. Graham.	Lawrence K. Beaver.
Ralph M. Gerth.	Charlie S. East.
Stockard R. Hickey.	John E. Canoose.
Benjamin J. Shinn.	William M. McDade.
Howard E. Haynes.	John C. Redman.
Frederick J. Silvernail.	John B. McGovern.
Andrew Simmons.	Philip H. Taft.
Charles W. Van Horn.	Thomas J. Eggleston.
William D. Dadd.	Rudolph Oeser.
David F. Mead.	Robert H. Barnes.
George W. Waldo.	Ewell K. Jett.
William T. Shaw.	Rudolph P. Bielka.
James D. Brown.	

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of January, 1922:

William R. Dolan.
Maxemillian B. De Leshe.
Thomas O. Brandon.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 31st day of January, 1922:

Roger K. Hodsdon.	William N. Thornton.
Terence W. Greene.	Burton E. Rokes.
Ernest V. Abrams.	Donald R. Comstock.
Lloyd K. Cleveland.	Edgar V. Carrithers.
Rodney H. Dobson.	

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of February, 1922:

Dennis B. Boykin.
Martin Nyburg.
William F. Skyles.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of March, 1922:

Ashton B. Smith.
George Walker.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 22d day of April, 1922:

George L. Bright.	John D. Murphy.
William G. Dow.	Robert E. Permut.
Harold B. Herty.	Harold B. Corwin.
Samuel S. Fried.	John A. Pierson.
Charles R. Price.	Charles H. Ross.
Thomas J. Bay.	George K. G. Reilly.
Edgar L. Adams.	Paul G. Wrenn.
Paul L. Mather.	James S. Warner.
Floyd J. Nuber.	William M. M. Lohbrano.
Edwin C. Millhouse.	Alan F. Winslow.

Charles R. Will.
Robert K. Madsen, jr.
Harold W. Alden.
Arthur W. Peterson.
George E. Twining.
Charles C. Ferrenz.
James B. Bliss.
Robert W. Boughter.
George E. Kenyon.
Benton B. Baker.
Clifford B. Schiano.
Albert R. Buehler.
Thomas F. Hayes.
Herbert Loewy.
Robert F. Stockin.
Florentin P. Wencker.
Charles D. Hickox.
Malcolm D. MacGregor.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 2d day of May, 1922:

Laurence Bennett.
Albert M. Van Eaton.
Harold J. Bellingham.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 10th day of May, 1922:

Sumner C. Cheever.
Albert E. Conlon.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 7th day of June, 1922:

Emmet P. Forrestel.	Marion E. Crist.
George M. Dusenberre.	Alva J. Spriggs.
William Sinton.	Donald R. Osborn, jr.
Abel C. J. Sabalot.	Morris B. Myers.
Virgil E. Kornis.	LaRue C. Lawbaugh.
William E. A. Mullan.	Edward E. Pare.
Frank Rorschach, jr.	William A. P. Martin, jr.
George H. Dana.	Richard Highleyman.
Kendall S. Reed.	Walter H. Roberts.
Donald T. Whitmer.	John Perry.
Ernest W. Litch.	Oberlin C. Laird.
Burton L. Hunter, jr.	Thomas S. Combs.
Sam L. LaHache.	Frederick V. Barker.
John W. Marts, jr.	George P. Kraker.
Benton W. Decker.	Robert E. Melling.
John P. Curtis.	Michael D. Dearth.
Warner W. Angerer.	George E. Rosenberry.
Richard S. Morse.	Herbert G. Hopwood.
Charles S. Beightler.	Henry G. Chalkley, jr.
William W. Fife.	James B. Donnelly.
Herbert Finebaum.	Robert H. Smith.
Mead S. Pearson.	John F. Gillon.
Harold R. Parker.	Rockwell J. Townsend.
Clarence F. Swanson.	Russell Keith.
Lewis Corman.	Charles C. Hartman.
Edwin F. Conway.	Alf O. R. Bergesen.
Horace Burrough, 3d.	Barnett T. Talbot.
Kenneth E. Brimmer.	Robert P. Erdman.
Roscoe H. Hillenkoetter.	Charles R. Skinner.
Clarence J. Ballreich.	George F. Burdick.
George F. Prestwich.	Ellsworth D. McEathron.
Mark H. Harrington.	Allen Hobbs.
Asel B. Kerr.	John C. Webb.
William I. Leahy.	John E. Shoemaker.
Allen P. Mullinnix.	Earl R. DeLong.
William B. Goggins.	Theodore G. Haff.
Charles B. Momsen.	William J. Strother, jr.
Roger Brooks.	Francis B. Stodert.
Morton B. Sterling.	John W. Higley.
William G. Tomlinson.	Neill D. Brantly.
John P. Graff.	Harton I. Booker.
Richard C. Wiestling.	George B. Cunningham.
Harvey Wilson.	Edwin C. Bain.
Robert C. Warrack.	Norman S. Ives.
Douglass P. Johnson.	Chester A. Swafford.
William H. Wallace.	Clayton S. Swiggr.
Charles B. Gary.	Harold Coldwell.
Carroll L. Tyler.	James H. McKay.
Samuel W. Canan.	Frank H. Conant, 2d.
John P. Vetter.	Frederick R. Buse.
Harold C. Fitz.	Hugh P. Kirby.
Fridthjof W. Londahl.	Jewett P. Moncure.
Henry N. Mergen.	Amariah B. Cartwright.
Olin R. Miner.	Thomas T. Craven.
Lyman S. Perry.	Orin S. Haskell.
Frank C. L. Dettmann.	Maurice E. Hatch.

Russell D. Bell.
Henry L. Naff.
Clyde A. Coggins.
Otto F. Johanns.
John F. Wegforth.
Frederick L. Farrell.
John A. Paulson.
William B. Coleman.
Elder P. Johnson.
Benjamin C. Purrington.
Harold J. Walker.
Arthur H. Small.
Ralph W. Bowers.
Anton L. Mare.
Le Roy A. Nelson.
Louis C. De Rochemont.
Edward R. J. Griffin.
Emanuel Taylor.

John E. Gabrielson.
George C. Weldin.

Carleton C. Champion, jr.
Merrill F. Sproul.
Drayton Harrison.
Maurice E. Curts.
William H. Buracker.
Eugene F. Burkett.
Charles T. Wooten.
Clyde W. Smith.
Dixwell Ketcham
Cato D. Glover, jr.
Charles M. Huntington.
Oliver W. Gaines.
Harry H. Hill.
Edwin L. Brashears.
James M. Plaskitt.
Paul W. Steinhagen.
Vilas R. Knope.
Francis P. Old.
Norman B. Hopkins.
Melvin H. Bassett.
William B. Broadhurst.
Benjamin P. Ward.
Milton D. Goldsmith.
Robert P. Cunningham.
William A. P. Thompson.
Jesse B. Goode.
Clarence McM. Head.
John M. Thornton.
William D. Fletcher.
Howard C. Rule, jr.
Thomas S. Thorne.
George H. Gregory.
Maurice Montgomery.
John B. Lyon.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 15th day of June, 1922:

Jesse G. Johnson.
Joseph J. Rochefort.
William J. Medusky.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of August, 1922:

Cecil E. Godkin.
Herbert C. Behner.
Roland E. Krause.

Ensign John H. Hykes to be a lieutenant (junior grade) in the Navy from the 1st day of September, 1922.

The following-named midshipmen to be ensigns in the Navy from the 3d day of June, 1922:

William F. Jennings.
Corydon H. Kimball.

Surg. Richard A. Warner to be a medical inspector in the Navy with the rank of commander from the 28th day of August, 1922.

The following-named passed assistant surgeons to be surgeons in the Navy with the rank of lieutenant commander from the 3d day of June, 1922:

Ruskin M. Lhamon.
Carleton I. Wood.
William H. Michael.
Clarence W. Ross.
Roscoe M. Waterhouse.
Talmadge Wilson.

The following-named assistant surgeons to be passed assistant surgeons in the Navy with the rank of lieutenant from the 6th day of December, 1920:

Francis C. Hertzog.
Deane H. Vance.

Asst. Surg. Hillard L. Weer to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 1st day of July, 1920.

Asst. Surg. Jerome Braun to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 8th day of July, 1922.

Asst. Surg. David B. Peters to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 16th day of August, 1922.

Passed Asst. Surg. Nathaniel C. Rubinsky, of the United States Naval Reserve Force, to be an assistant surgeon in the Navy with the rank of lieutenant (junior grade) from the 14th day of September, 1922.

Acting Asst. Surg. Earl B. Erskine to be an assistant surgeon in the Navy with the rank of lieutenant (junior grade) from the 19th day of September, 1922.

James F. Finnegan, a citizen of California, to be an assistant surgeon in the Navy with the rank of lieutenant (junior grade) from the 3d day of November, 1922.

Edmond P. Speight.
Raleigh B. Miller.
Charles C. Anderson.
Ericson Lewis.
James L. Wyatt.
Frederick W. Roberts.
Harry D. Power.
Gordon A. Patterson.
Austin K. Doyle.
Ralph Humphreys.
Thomas C. Scaffa.
Harold R. Brookman.
James H. Doyle.
Charles D. Murphey.
Sumner T. Scott.
Solomon S. Isquith.
Armon D. A. Crawford.
Bailey Connelly.
Gyle D. Conrad.
John A. McDonnell.
Benjamin N. Ward.
Ferguson B. Bryan.
William G. Livingstone.
Harley F. Cope.
James D. Haselden, jr.
Wade DeWeese.
Allan D. Blackledge.
Charles A. Collins.
Khem W. Palmer.
Elmer Kiehl.
Justin D. Hartford.
Hilyer F. Gearing.
Francis W. Beard.

Asst. Dental Surg. Joseph W. Baker, jr., to be a passed assistant dental surgeon in the Navy with the rank of lieutenant from the 11th day of October, 1922.

Pay Inspector David V. Chadwick to be a pay director in the Navy with the rank of captain from the 26th day of August, 1922.

Pay Inspector David M. Addison to be a pay director in the Navy with the rank of captain from the 2d day of November, 1922.

Pay Inspector Victor S. Jackson to be a pay director in the Navy with the rank of captain from the 12th day of November, 1922.

Paymaster William N. Hughes to be a pay inspector in the Navy with the rank of Commander from the 26th day of August, 1922.

Paymaster Harold W. Browning to be a pay inspector in the Navy with the rank of commander from the 2d day of November, 1922.

Paymaster Emory D. Stanley to be a pay inspector in the Navy with the rank of commander from the 12th day of November, 1922.

Asst. Paymaster Dillon F. Zimmerman to be a passed assistant paymaster in the navy with the rank of lieutenant from the 31st day of December, 1921.

The following-named assistant paymasters to be passed assistant paymasters in the Navy with the rank of lieutenant from the 3d day of June, 1922:

Alexander Riggan.
Frederick Schwab.
Robert J. Monteith.
Harold R. Lehmann.
Myron W. Willard.
John H. Gallion.
Hugh A. Phares.
James E. Brennen.
Mason E. Mitchell.
George E. Duffy.
Robert G. Robeson.
Raphael Gering.
Fillmore S. C. Layman.
Leon I. Smith.
Archie A. Antrim.
Harold E. Humphreys.
Percy W. McCord.
Tipton F. Woodward.
George P. Smallman.
Chris J. Norstad.
Charles A. Cook.
Samuel L. Bates.

Gordon S. Bower.
Harry G. Kinnard.
William E. McCain.
Theodore M. Stock.
Stanford G. Chapman.
Alexander W. Urquhart.
Howard N. Hill.
Cornelius A. Brinkmann.
Jacob H. Kyger.
Marvin McCray.
George L. Thomas.
John C. Poshepny.
Harry F. Hake.
Percival F. Patten.
Grandison J. Tyler.
Chester B. Peake.
Hugh J. McManus.
John J. Carroll.
Leo V. Flavell.
Albert W. Eldred.
Joseph T. Lareau.
Roy L. Koester.

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, from the 1st day of July, 1922:

Clarence E. Kastenbein.
George Scratchley.
Charles B. Forrest.
Orville F. Byrd.
Daniel L. McCarthy.
Harry A. Miller.
Harvey R. Dye.

James H. Stevens.
Ellsworth F. Sparks.
John P. Killeen.
Charles H. Gillilan.
Leon Dancer.
Joseph W. Cavanaugh.
Verny Carroll.

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, from the 8th day of July, 1922:

Ervine R. Brown.
Ray E. Snedaker.
William W. Wise.
Don M. Robinson.
Robert H. Lenson.
Edward F. Ney.

Charles Schaaf.
George W. Davis.
Guild Bruda.
Alvin S. Reid.
Robert R. Blaisdell.

Assistant Paymaster Walter Guerry to be passed assistant paymaster in the Navy, with the rank of lieutenant, from the 16th day of August, 1922.

Chaplain Edmund A. Brodmann to be a chaplain in the Navy, with the rank of captain, from the 6th day of November, 1920.

Chaplain Le Roy N. Taylor to be a chaplain in the Navy, with the rank of captain, from the 22d day of November, 1921.

Chaplain Thomas B. Thompson to be a chaplain in the Navy, with the rank of commander, from the 28th day of July, 1921.

Chaplain John J. Brady to be a chaplain in the Navy, with the rank of commander, from the 23d day of November, 1921.

The following-named boatswains to be chief boatswains in the Navy, to rank with but after ensign, from the 6th day of February, 1921:

William E. Benson.
Fred C. A. Plagemann.

Boatswain Wildon A. Ott to be a chief boatswain in the Navy, to rank with but after ensign, from the 16th day of December, 1921.

Machinist John A. Silva to be a chief machinist in the Navy, to rank with but after ensign, from the 28th day of December, 1920.

Pay Clerk Merle W. Shumate to be a chief pay clerk in the Navy, to rank with but after ensign, from the 6th day of July, 1922.

Lieut. Allen H. Guthrie to be a lieutenant commander in the Navy, from the 3d day of June, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy, from the 1st day of June, 1922:

Joseph E. Jackson.	Forrest A. Rhoads.
William W. Behrens.	Raymond A. McClellan.
Nullet F. Schneider.	Gordon T. House.

POSTMASTERS.

ALABAMA.

Warren L. Hollingsworth to be postmaster at Lincoln, Ala. Office became presidential October 1, 1919.

Eva M. Ellison to be postmaster at Empire, Ala. Office became presidential April 1, 1922.

Fred D. Perkins to be postmaster at Wetumpka, Ala., in place of M. E. Cain, resigned.

Albert N. Holland to be postmaster at Scottsboro, Ala., in place of J. B. Tally, jr. Incumbent's commission expired September 5, 1922.

Ed P. Johnson to be postmaster at Samson, Ala., in place of J. T. Farmer. Incumbent's commission expired September 5, 1922.

Tyler M. Swann to be postmaster at Roanoke, Ala., in place of L. M. Stevenson. Incumbent's commission expired February 19, 1922.

Walter T. Cowan to be postmaster at Orrville, Ala., in place of W. T. Cowan. Incumbent's commission expired September 5, 1922.

Lee M. Otts to be postmaster at Greensboro, Ala., in place of L. M. Otts. Incumbent's commission expired August 29, 1922.

John M. Stapleton to be postmaster at Foley, Ala., in place of L. E. Wolbrink. Incumbent's commission expired September 5, 1922.

Mary D. Bass to be postmaster at Butler, Ala., in place of T. W. Bass, deceased.

Fred M. Fitts to be postmaster at Alabama City, Ala., in place of Y. E. Adams. Incumbent's commission expired September 5, 1922.

ARIZONA.

Winchester Dickerson to be postmaster at Ashfork, Ariz., in place of Winchester Dickerson. Incumbent's commission expired September 5, 1922.

ARKANSAS.

Alexander R. Mullins to be postmaster at Emerson, Ark. Office became presidential April 1, 1922.

James S. Burnett to be postmaster at Clinton, Ark. Office became presidential October 1, 1922.

James F. Hudson to be postmaster at Lake Village, Ark., in place of Hermon Carlton, resigned.

Cooper Hudspeth to be postmaster at Nashville, Ark., in place of W. P. Williams. Incumbent's commission expired September 5, 1922.

James G. Brown to be postmaster at Magnolia, Ark., in place of O. D. Boreing. Incumbent's commission expired September 5, 1922.

George H. Rule, jr., to be postmaster at Lonoke, Ark., in place of G. H. Rule, jr. Incumbent's commission expired September 5, 1922.

William B. Pape to be postmaster at Fort Smith, Ark., in place of A. L. Peacher, resigned.

John C. Wish to be postmaster at Cabot, Ark., in place of L. M. Burge. Incumbent's commission expired September 13, 1922.

CALIFORNIA.

Paul Huneke to be postmaster at Lemoncove, Calif. Office became presidential October 1, 1922.

Edna J. McGowan to be postmaster at Belmont, Calif. Office became presidential April 1, 1921.

Bernice C. Downing to be postmaster at Santa Clara, Calif., in place of C. D. South. Incumbent's commission expired September 5, 1922.

Bert C. McMurray to be postmaster at Lancaster, Calif., in place of W. M. Redman. Incumbent's commission expired September 5, 1922.

Ida P. Durkee to be postmaster at Newport Beach, Calif., in place of L. S. Wilkinson, resigned.

Kathleen M. Fleming to be postmaster at Lincoln, Calif., in place of K. M. Fleming. Incumbent's commission expired September 5, 1922.

Hazel M. McFarland to be postmaster at Folsom City, Calif., in place of W. H. Comstock. Incumbent's commission expired September 5, 1922.

Fred W. Busey to be postmaster at Balboa, Calif., in place of P. J. Wilson, resigned.

John W. Drane to be postmaster at Alturas, Calif., in place of G. M. Kemble. Incumbent's commission expired May 20, 1922.

COLORADO.

John H. O'Connell to be postmaster at Sugar City, Colo., in place of H. E. Farr. Incumbent's commission expired August 25, 1920.

William H. Cochran, jr., to be postmaster at Del Norte, Colo., in place of R. W. Tandy, resigned.

CONNECTICUT.

Michael J. Kenney to be postmaster at Mechanicsville, Conn. Office became presidential July 1, 1922.

W. Kenneth Avery to be postmaster at Granby, Conn. Office became presidential October 1, 1922.

Alfred A. Barrett to be postmaster at Berlin, Conn. Office became presidential October 1, 1922.

W. Frank Smith to be postmaster at Wallingford, Conn., in place of E. C. Cox. Incumbent's commission expired September 5, 1922.

W. Gardiner Davis to be postmaster at Pomfret Center, Conn., in place of F. O. Davis. Incumbent's commission expired January 2, 1921.

Irving S. Cook to be postmaster at Higganum, Conn., in place of H. F. Spencer. Incumbent's commission expired September 5, 1922.

DELAWARE.

Stanley S. Stevens to be postmaster at Delaware City, Del., in place of A. L. Swan. Incumbent's commission expired September 5, 1922.

FLORIDA.

Grady W. Bailey to be postmaster at Florence Villa, Fla. Office became presidential April 1, 1922.

Maxfield Sellers to be postmaster at While Springs, Fla., in place of O. K. Paxton, jr. Incumbent's commission expired September 5, 1922.

Thomas W. Lundy to be postmaster at Perry, Fla., in place of L. M. Caswell. Incumbent's commission expired January 31, 1922.

Albert L. Lucas to be postmaster at Ocala, Fla., in place of R. F. Rogers. Incumbent's commission expired September 5, 1922.

Jesse D. Knight to be postmaster at Lake Butler, Fla., in place of S. E. Driggers. Incumbent's commission expired September 5, 1922.

Charles R. Lee to be postmaster at Clearwater, Fla., in place of W. A. Davis. Incumbent's commission expired September 5, 1922.

Clarence J. Carlton to be postmaster at Arcadia, Fla., in place of W. M. Platt. Incumbent's commission expired September 5, 1922.

GEORGIA.

Kelly W. Liles, jr., to be postmaster at White Oak, Ga. Office became presidential April 1, 1922.

Thomas H. Anthony to be postmaster at Shellman, Ga., in place of H. O. Crittendon. Incumbent's commission expired February 18, 1922.

Frederick Bonner to be postmaster at Perry, Ga., in place of J. H. Hodges. Incumbent's commission expired September 28, 1922.

Olin Robinson to be postmaster at Milledgeville, Ga., in place of J. D. Howard. Incumbent's commission expired October 3, 1921.

Susie D. Sims to be postmaster at Lawrenceville, Ga., in place of H. R. Chesnutt, removed.

Augustus R. Williamson to be postmaster at Jefferson, Ga., in place of R. D. Moore. Incumbent's commission expired September 28, 1922.

John C. Massey to be postmaster at Hartwell, Ga., in place of J. L. Teasley. Incumbent's commission expired September 26, 1922.

Albert M. Seifert to be postmaster at Fort Valley, Ga., in place of F. S. Murray. Incumbent's commission expired September 26, 1922.

George W. Pease to be postmaster at Demorest, Ga., in place of W. H. McMillion. Incumbent's commission expired September 28, 1922.

Charles E. Walton to be postmaster at Columbus, Ga., in place of J. P. Turner. Incumbent's commission expired September 28, 1922.

Annie K. Bunn to be postmaster at Cedartown, Ga., in place of A. K. Bunn. Incumbent's commission expired September 28, 1922.

Will E. Davis to be postmaster at Boston, Ga., in place of J. B. Rountree. Incumbent's commission expired September 26, 1922.

William F. Boone to be postmaster at Baxley, Ga., in place of W. F. Boone. Incumbent's commission expired September 26, 1922.

HAWAII.

Edward D. Quinn to be postmaster at Kohala, Hawaii, in place of C. R. Jardin, resigned.

IDAHO.

Charles B. Billups to be postmaster at Nezperce, Idaho, in place of J. W. Anderson. Incumbent's commission expired September 5, 1922.

ILLINOIS.

Harry R. Smith to be postmaster at Manlius, Ill. Office became presidential April 1, 1922.

Edwin G. Meyer to be postmaster at Valmeyer, Ill. Office became presidential January 1, 1922.

Peter J. McKinney to be postmaster at Ogden, Ill. Office became presidential October 1, 1922.

Walter J. Holt to be postmaster at Hanna City, Ill. Office became presidential April 1, 1922.

Frank W. A. Noll to be postmaster at Franklin Park, Ill. Office became presidential October 1, 1920.

C. Ray Chrisman to be postmaster at Ewing, Ill. Office became presidential October 1, 1922.

Orlando H. Akin to be postmaster at Kirkwood, Ill., in place of M. S. McClymonds, resigned.

Burton A. Blake to be postmaster at Tiskilwa, Ill., in place of P. H. Fitzgerald. Incumbent's commission expired March 4, 1922.

Jennie McNulty to be postmaster at South Wilmington, Ill., in place of Jennie McNulty. Incumbent's commission expired October 24, 1922.

Franklin S. Lyman to be postmaster at Oak Forest, Ill., in place of F. S. Lyman. Incumbent's commission expired October 24, 1922.

Milton G. Hartenbower to be postmaster at Lostant, Ill., in place of J. E. Conlin, removed.

INDIANA.

Joseph E. Lewis to be postmaster at Williamsport, Ind., in place of L. J. Etnire. Incumbent's commission expired May 25, 1922.

Charles A. Thompson to be postmaster at Rockville, Ind., in place of L. B. Humphries. Incumbent's commission expired September 5, 1922.

Jacob Ochs, jr., to be postmaster at Remington, Ind., in place of Dennis O'Riley. Incumbent's commission expired September 5, 1922.

Ben Price, jr., to be postmaster at Monticello, Ind., in place of J. P. Simons, deceased.

James C. Brown to be postmaster at Salem, Ind., in place of C. R. Morris. Incumbent's commission expired September 5, 1922.

Floyd E. Leonard to be postmaster at Mulberry, Ind., in place of R. C. Fickle. Incumbent's commission expired September 5, 1922.

Charles A. McClintock to be postmaster at Lynn, Ind., in place of C. T. Hoover. Incumbent's commission expired September 5, 1922.

Ben Havens to be postmaster at Kokomo, Ind., in place of C. H. Havens. Incumbent's commission expired September 5, 1922.

Edward A. Spray to be postmaster at Frankfort, Ind., in place of H. A. Flora. Incumbent's commission expired September 5, 1922.

Robert E. Black to be postmaster at Corydon, Ind., in place of F. E. Watson, resigned.

Fred Irvin to be postmaster at Cannelton, Ind., in place of C. F. Gerber, jr. Incumbent's commission expired September 5, 1922.

Benjamin F. Pitman to be postmaster at Bedford, Ind., in place of C. A. Durrenberger. Incumbent's commission expired September 5, 1922.

IOWA.

Frank D. Thomsen to be postmaster at Kimballton, Iowa. Office became presidential January 1, 1921.

Anna M. Beck to be postmaster at Solon, Iowa, in place of A. M. Beck. Incumbent's commission expired November 21, 1922.

Harry Carver to be postmaster at Fontanelle, Iowa, in place of Jay Sullivan. Incumbent's commission expired September 5, 1922.

Arden W. Keeney to be postmaster at Carlisle, Iowa, in place of J. S. Webster. Incumbent's commission expired September 5, 1922.

Hazel N. Chapman to be postmaster at Bagley, Iowa, in place of C. A. Hidlebaugh. Incumbent's commission expired September 5, 1922.

Ava Rigdon to be postmaster at Menlo, Iowa, in place of L. M. Bond. Incumbent's commission expired September 5, 1922.

Laura H. Figert to be postmaster at Marathon, Iowa, in place of L. H. Figert. Incumbent's commission expired September 5, 1922.

Kate C. Warner to be postmaster at Dayton, Iowa, in place of K. C. Warner. Incumbent's commission expired September 5, 1922.

KANSAS.

Belford A. Likes to be postmaster at Pomona, Kans., in place of J. H. Parkinson. Incumbent's commission expired September 13, 1922.

Lee Mobley to be postmaster at Weir, Kans., in place of Celia Hughes. Incumbent's commission expired September 13, 1922.

William A. Walt to be postmaster at Thayer, Kans., in place of Fred Powell. Incumbent's commission expired September 13, 1922.

James M. Kersey to be postmaster at Parsons, Kans., in place of L. A. Walker. Incumbent's commission expired February 4, 1922.

John Malone to be postmaster at National Military Home, Kans., in place of J. T. Brothers. Incumbent's commission expired January 12, 1919.

KENTUCKY.

Eugene E. Johnson to be postmaster at White Plains, Ky. Office became presidential July 1, 1921.

Zelmer R. Hill to be postmaster at Jamestown, Ky. Office became presidential April 1, 1922.

Zorayda Cochran to be postmaster at Maysville, Ky., in place of M. F. Kehoe. Incumbent's commission expired October 3, 1922.

John B. Searcy to be postmaster at Lawrenceburg, Ky., in place of J. R. Paxton. Incumbent's commission expired October 24, 1922.

LOUISIANA.

Owen N. Jones to be postmaster at Good Pine, La. Office became presidential January 1, 1922.

Walter L. Huckabay to be postmaster at Bienville, La. Office became presidential January 1, 1921.

Robert D. Crowell to be postmaster at Meridian, La., in place of Wilson Ardoin, not commissioned.

Lillian D. Gayle to be postmaster at Independence, La., in place of L. D. Gayle. Incumbent's commission expired September 5, 1922.

MAINE.

Ray Winchenpaw to be postmaster at Friendship, Me. Office became presidential October 1, 1922.

Jesse B. Crosby to be postmaster at Dennysville, Me. Office became presidential October 1, 1920.

William C. Flint to be postmaster at Waldoboro, Me., in place of P. E. Storer. Incumbent's commission expired September 28, 1922.

Harold N. Libby to be postmaster at Richmond, Me., in place of Morrill McKenney. Incumbent's commission expired September 28, 1922.

Philip F. Stone to be postmaster at Norway, Me., in place of F. E. DeCoster. Incumbent's commission expired September 28, 1922.

Ellsworth W. Sawyer to be postmaster at Kezar Falls, Me., in place of E. W. Sawyer. Incumbent's commission expired September 28, 1922.

Reuel Robinson to be postmaster at Camden, Me., in place of J. H. Hobbs. Incumbent's commission expired September 28, 1922.

Ferdinand E. Stevens to be postmaster at Auburn, Me., in place of A. T. Hicks. Incumbent's commission expired September 28, 1922.

Charles C. Hoyt to be postmaster at South Brewer, Me., in place of O. C. Verow. Incumbent's commission expired September 28, 1922.

Edward I. Waddell to be postmaster at Presque Isle, Me., in place of V. E. Howe. Incumbent's commission expired September 28, 1922.

Leonard O. Meader to be postmaster at North Berwick, Me., in place of W. I. Johnson. Incumbent's commission expired September 28, 1922.

Maud E. Pierce to be postmaster at Mars Hill, Me., in place of B. F. Pierce. Incumbent's commission expired September 28, 1922.

Albert A. Weatherbee to be postmaster at Lincoln, Me., in place of H. L. Pinkham, resigned.

Dana C. Skillin to be postmaster at Hallowell, Me., in place of J. E. Murphy. Incumbent's commission expired September 28, 1922.

Zaidee P. Campbell to be postmaster at Jackman, Me., in place of T. M. Nichols, resigned.

Preston N. Burleigh to be postmaster at Houlton, Me., in place of Dennis Sheehan. Incumbent's commission expired September 28, 1922.

Omar J. Lombard to be postmaster at Guilford, Me., in place of J. S. Williams. Incumbent's commission expired September 28, 1922.

John A. Babb to be postmaster at Dixfield, Me., in place of M. M. Holland. Incumbent's commission expired September 28, 1922.

Almon R. Page to be postmaster at Dexter, Me., in place of F. J. Carsley. Incumbent's commission expired September 28, 1922.

Chandler M. Wilson to be postmaster at Bucksport, Me., in place of R. P. Freeman. Incumbent's commission expired September 28, 1922.

Henry A. Saunders to be postmaster at Blue Hill, Me., in place of Harry Hinckley. Incumbent's commission expired September 28, 1922.

Bert H. Young to be postmaster at Bar Harbor, Me., in place of O. H. Jellison, resigned.

MARYLAND.

Nettie Fowler to be postmaster at Bowie, Md. Office became presidential July 1, 1922.

Victor F. Cullen to be postmaster at State Sanatorium, Md., in place of V. F. Cullen. Incumbent's commission expired September 5, 1922.

Leslie W. Gaver to be postmaster at Middletown, Md., in place of G. W. Kefauver. Incumbent's commission expired September 25, 1922.

Robert H. Phillips to be postmaster at Salisbury, Md., in place of S. K. White. Incumbent's commission expired February 28, 1920.

John W. Payne to be postmaster at Preston, Md., in place of J. F. Lednum. Incumbent's commission expired January 30, 1921.

Everett M. Layton to be postmaster at Berlin, Md., in place of T. Y. Franklin. Incumbent's commission expired September 5, 1922.

MASSACHUSETTS.

Walter C. Wright to be postmaster at Graniteville, Mass. Office became presidential October 1, 1922.

August J. Formhals to be postmaster at Erving, Mass. Office became presidential July 1, 1922.

Clarence E. Arnold to be postmaster at Hopedale, Mass., in place of G. P. Sheldon, deceased.

MICHIGAN.

James R. Taylor to be postmaster at Romulus, Mich. Office became presidential October 1, 1922.

Arthur Locke to be postmaster at Middleton, Mich. Office became presidential January 1, 1921.

Milan A. Smith to be postmaster at Morenci, Mich., in place of I. G. Metcalf. Incumbent's commission expired September 13, 1922.

Edward F. Blake to be postmaster at Middleville, Mich., in place of C. F. Parker. Incumbent's commission expired September 13, 1922.

Roland M. Krise to be postmaster at Marcellus, Mich., in place of W. M. Beadle. Incumbent's commission expired September 13, 1922.

Henry E. Cowdin to be postmaster at Carson City, Mich., in place of A. B. Goodwin. Incumbent's commission expired September 13, 1922.

William R. Bryce to be postmaster at Yale, Mich., in place of E. W. Farley, resigned.

James V. Baker to be postmaster at South Lyon, Mich., in place of H. C. Stevenson. Incumbent's commission expired September 13, 1922.

Thomas S. Scupholm to be postmaster at Port Huron, Mich., in place of J. S. Wittliff. Incumbent's commission expired September 13, 1922.

Floyd B. Babcock to be postmaster at Pontiac, Mich., in place of E. E. Hymers. Incumbent's commission expired September 13, 1922.

George H. Steadman to be postmaster at Lyons, Mich., in place of C. O. Miller, resigned.

Walter G. Rogers to be postmaster at Lansing, Mich., in place of P. F. Gray. Incumbent's commission expired September 13, 1922.

Henry F. Voelker to be postmaster at Ionia, Mich., in place of H. E. Kidder. Incumbent's commission expired September 13, 1922.

Irvin B. Dayharsh to be postmaster at Hart, Mich., in place of F. P. Hilbourn. Incumbent's commission expired September 13, 1922.

Ernest E. Yerdon to be postmaster at Fenton, Mich., in place of F. A. Chapin. Incumbent's commission expired September 13, 1922.

Louis Gee to be postmaster at Farwell, Mich., in place of E. W. Brown, resigned.

Asa B. Freeman to be postmaster at Durand, Mich., in place of F. H. Healy. Incumbent's commission expired September 13, 1922.

Jesse A. Richardson to be postmaster at Corunna, Mich., in place of F. H. Pettibone. Incumbent's commission expired September 13, 1922.

Charles H. Haley to be postmaster at Coleman, Mich., in place of W. W. Simons. Incumbent's commission expired September 13, 1922.

Clarence D. Kent to be postmaster at Buchanan, Mich., in place of J. C. Rough, resigned.

Duncan A. McKeith to be postmaster at Brown City, Mich., in place of W. H. Cronin. Incumbent's commission expired September 13, 1922.

Charles F. Waldie to be postmaster at Bancroft, Mich., in place of G. M. Harrington. Incumbent's commission expired September 13, 1922.

MINNESOTA.

Herman J. Ricker to be postmaster at Freeport, Minn. Office became presidential July 1, 1920.

Almer B. Nelson to be postmaster at Warren, Minn., in place of C. A. Tullar. Incumbent's commission expired September 13, 1922.

MISSISSIPPI.

Anne D. Powers to be postmaster at Cary, Miss. Office became presidential April 1, 1922.

Melzar J. Nye to be postmaster at Carrollton, Miss., in place of Henrietta Welch. Incumbent's commission expired July 21, 1921.

MISSOURI.

James E. Roark to be postmaster at Anderson, Mo., in place of J. F. Kincannon. Incumbent's commission expired September 5, 1922.

Loyd R. Kirtley to be postmaster at Madison, Mo., in place of C. G. Eubank, resigned.

John A. Griesel to be postmaster at Golden City, Mo., in place of J. K. Scott. Incumbent's commission expired September 5, 1922.

NEBRASKA.

Mary E. Rushart to be postmaster at Fort Crook, Nebr., in place of M. E. Rushart. Incumbent's commission expired October 3, 1922.

NEVADA.

Austin Jackson to be postmaster at Reno, Nev., in place of F. L. White. Incumbent's commission expired September 5, 1922.

NEW HAMPSHIRE.

Frank E. West to be postmaster at Lyme, N. H. Office became presidential October 1, 1922.

Nellie L. Mason to be postmaster at Greenfield, N. H. Office became presidential October 1, 1922.

Orriman Whipple to be postmaster at Sugar Hill, N. H. Office became presidential January 1, 1921.

NEW JERSEY.

Charles Place to be postmaster at Rosemont, N. J. Office became presidential October 1, 1922.

James T. Chapman to be postmaster at Sea Isle City, N. J., in place of T. E. Ludlam, resigned.

Alfred W. Marshall to be postmaster at Glassboro, N. J., in place of G. M. Keebler. Incumbent's commission expired January 8, 1921.

NEW MEXICO.

Augustin F. Sisneros to be postmaster at Espanola, N. Mex., in place of F. R. Frankenburger. Incumbent's commission expired September 5, 1922.

NEW YORK.

John A. Goetzmann to be postmaster at West Webster, N. Y. Office became presidential July 1, 1922.

Gertrude S. Ryder to be postmaster at Blue Point, N. Y. Office became presidential October 1, 1922.

William Sanford to be postmaster at Savona, N. Y., in place of W. M. Wagner. Incumbent's commission expired June 27, 1920.

Charles W. Fletcher to be postmaster at Montour Falls, N. Y., in place of C. L. Doolittle. Incumbent's commission expired September 19, 1922.

Gottlieb H. Morris to be postmaster at Lynbrook, N. Y., in place of W. C. Box. Incumbent's commission expired October 24, 1922.

William D. Walling to be postmaster at Hudson Falls, N. Y., in place of John Toole. Incumbent's commission expired January 6, 1920.

Edward J. Woods to be postmaster at Bayport, N. Y., in place of E. J. Woods. Incumbent's commission expired October 24, 1922.

NORTH CAROLINA.

Joseph P. Hinson to be postmaster at Pineville, N. C. Office became presidential April 1, 1921.

Otis P. Brower to be postmaster at Liberty, N. C., in place of W. M. Hanner, removed.

NORTH DAKOTA.

John P. Breslin to be postmaster at Sanish, N. Dak., in place of W. F. Thompson. Incumbent's commission expired January 24, 1922.

OHIO.

Oscar C. Wheland to be postmaster at Gnadentritten, Ohio. Office became presidential April 1, 1922.

Fred G. Bates to be postmaster at Madison, Ohio, in place of F. H. Davet. Incumbent's commission expired September 19, 1922.

Mary E. Lee to be postmaster at Westerville, Ohio, in place of Frank Bookman. Incumbent's commission expired September 19, 1922.

Josiah T. Gibson to be postmaster at Waverly, Ohio, in place of C. P. Gabelman. Incumbent's commission expired September 19, 1922.

Frank B. Malaney to be postmaster at Wadsworth, Ohio, in place of W. A. Ault, resigned.

Dwight D. Fierbaugh to be postmaster at South Euclid, Ohio, in place of B. O. Brott, resigned.

Garrett A. Circle to be postmaster at Racine, Ohio, in place of G. C. Wolfe. Incumbent's commission expired September 19, 1922.

Frank P. Johnson to be postmaster at Pataskala, Ohio, in place of R. D. Brown. Incumbent's commission expired September 19, 1922.

William F. Lyons to be postmaster at Mentor, Ohio, in place of T. H. Code. Incumbent's commission expired September 19, 1922.

Linden C. Welmer to be postmaster at Dayton, Ohio, in place of F. L. May. Incumbent's commission expired July 21, 1921.

John W. McCoy to be postmaster at Barberton, Ohio, in place of J. M. McNamara. Incumbent's commission expired September 19, 1922.

OKLAHOMA.

Floyd A. Rice to be postmaster at Strong City, Okla. Office became presidential July 1, 1920.

Mable C. Heidenreich to be postmaster at Duke, Okla. Office became presidential October 1, 1920.

Thomas B. Fessenger to be postmaster at Wynne Wood, Okla., in place of G. P. Rollow. Incumbent's commission expired September 13, 1922.

Emil G. Etzold to be postmaster at Temple, Okla., in place of H. A. Crawford. Incumbent's commission expired September 13, 1922.

Elinore Jett to be postmaster at Nash, Okla., in place of W. T. Childs. Incumbent's commission expired September 13, 1922.

Lewis G. Rinnert to be postmaster at Checotah, Okla., in place of W. B. Hensley, resigned.

PENNSYLVANIA.

Arthur N. Rose to be postmaster at Rouseville, Pa., in place of A. N. Rose. Incumbent's commission expired September 26, 1922.

Thomas J. Morgan to be postmaster at Nanticoke, Pa., in place of Stanley Droseski. Incumbent's commission expired September 13, 1922.

James I. Decker to be postmaster at New Freedom, Pa., in place of P. W. Miller. Incumbent's commission expired September 26, 1922.

Jennie C. Sample to be postmaster at Crum Lynne, Pa., in place of J. J. McCoy. Incumbent's commission expired January 2, 1921.

Harry F. Deibert to be postmaster at Cressona, Pa., in place of W. L. McLaren. Incumbent's commission expired September 26, 1922.

PORTO RICO.

John L. Gay to be postmaster at San Juan, Porto Rico, in place of R. A. Rivera, removed.

Reinaldo Paniagua, jr., to be postmaster at Lares, Porto Rico, in place of Paul Vilella, jr. Incumbent's commission expired September 5, 1922.

RHODE ISLAND.

Bertha M. Brayton to be postmaster at Hope, R. I. Office became presidential October 1, 1922.

May B. Lamb to be postmaster at Greenville, R. I. Office became presidential October 1, 1922.

SOUTH CAROLINA.

Robert L. Henderson to be postmaster at North Charleston, S. C. Office became presidential January 1, 1921.

James M. Graham to be postmaster at Alcolu, S. C., in place of L. M. Jones. Incumbent's commission expired January 24, 1922.

SOUTH DAKOTA.

Albert P. Monell to be postmaster at Stickney, S. Dak., in place of A. P. Monell. Incumbent's commission expired September 11, 1922.

Louis E. Castle to be postmaster at Britton, S. Dak., in place of G. L. Baker. Incumbent's commission expired January 24, 1922.

TENNESSEE.

Byrd S. Bussell to be postmaster at Greenbrier, Tenn. Office became presidential January 1, 1921.

Burgess W. Witt to be postmaster at Jefferson City, Tenn., in place of L. C. Peak. Incumbent's commission expired February 4, 1922.

Kester L. Pearson to be postmaster at White Pine, Tenn., in place of F. B. Cowan. Incumbent's commission expired February 4, 1922.

Anderson W. Warren to be postmaster at Waverly, Tenn., in place of J. E. Pullen. Incumbent's commission expired May 10, 1922.

Claris E. Akin to be postmaster at Rutherford, Tenn., in place of L. W. Davidson. Incumbent's commission expired August 26, 1920.

John M. Eakin to be postmaster at Fayetteville, Tenn., in place of J. J. Jones. Incumbent's commission expired September 13, 1922.

TEXAS.

Belle H. Stewart to be postmaster at Valentine, Tex. Office became presidential January 1, 1921.

James W. Travers to be postmaster at South Bend, Tex. Office became presidential October 1, 1921.

Joseph M. Reising to be postmaster at Rochester, Tex. Office became presidential October 1, 1920.

William A. Gatlin to be postmaster at Lakeview, Tex. Office became presidential July 1, 1920.

Thomas E. Cavender to be postmaster at Dilley, Tex. Office became presidential October 1, 1920.

George E. Thomas to be postmaster at Center Point, Tex. Office became presidential July 1, 1920.

George E. Longacre to be postmaster at Tyler, Tex., in place of S. S. McLendon. Incumbent's commission expired January 24, 1922.

Fannie Stieber to be postmaster at Rocksprings, Tex., in place of Fannie Stieber. Incumbent's commission expired September 5, 1922.

William R. Wagle to be postmaster at Lampasas, Tex., in place of G. D. Zivley, resigned.

William E. Singleton to be postmaster at Jefferson, Tex., in place of William Clark. Incumbent's commission expired September 5, 1922.

Sallie E. Saint Jacque to be postmaster at Higgins, Tex., in place of F. K. Winsett. Incumbent's commission expired March 8, 1922.

James A. Aldridge to be postmaster at Devine, Tex., in place of J. A. Aldridge. Incumbent's commission expired April 6, 1922.

Robert L. Jones to be postmaster at Celeste, Tex., in place of W. E. Thompson, resigned.

UTAH.

Mary W. Hall to be postmaster at Hurricane, Utah. Office became presidential April 1, 1922.

Glen A. Jensen to be postmaster at Manti, Utah, in place of N. H. Felt. Incumbent's commission expired September 5, 1922.

VERMONT.

William T. Mead to be postmaster at Underhill, Vt. Office became presidential October 1, 1922.

William J. Wright to be postmaster at Montgomery Center, Vt. Office became presidential October 1, 1922.

Alvi T. Davis to be postmaster at Marshfield, Vt. Office became presidential January 1, 1921.

VIRGINIA.

Charles G. Rowell to be postmaster at Surry, Va. Office became presidential January 1, 1921.

Charles V. Tucker to be postmaster at Phenix, Va. Office became presidential July 1, 1921.

Augustus R. Morris to be postmaster at Jetersville, Va. Office became presidential July 1, 1920.

Charlie R. Fisher to be postmaster at Wytheville, Va., in place of C. N. Otey. Incumbent's commission expired September 13, 1922.

Jacob H. Furr to be postmaster at Waynesboro, Va., in place of J. T. Cooke. Incumbent's commission expired September 13, 1922.

Joseph W. Stewart to be postmaster at Richmond, Va., in place of H. T. Thornton. Incumbent's commission expired September 13, 1922.

Patrick J. Riley to be postmaster at Portsmouth, Va., in place of S. T. Montague. Incumbent's commission expired September 13, 1922.

Philip L. Harrington to be postmaster at Independence, Va., in place of C. W. Rudolph, resigned.

Walter C. Franklin to be postmaster at Pamplin, Va., in place of L. N. Ligon, resigned.

Manley W. Carter to be postmaster at Orange, Va., in place of H. G. Shackelford. Incumbent's commission expired January 24, 1922.

Ira D. Baker to be postmaster at Lovettsville, Va., in place of C. F. Shumaker. Incumbent's commission expired July 21, 1921.

Georgie H. Osborne to be postmaster at Keysville, Va., in place of W. E. Hailey. Incumbent's commission expired July 21, 1921.

Ollie M. Colbert to be postmaster at Gretna, Va., in place of W. E. Ramsey. Incumbent's commission expired September 13, 1922.

Gatewood L. Schumaker to be postmaster at Covington, Va., in place of F. H. Rinehart. Incumbent's commission expired September 13, 1922.

William H. Haney to be postmaster at Claremont, Va., in place of J. C. Hudgins. Incumbent's commission expired March 16, 1921.

Ferdinand C. Knight to be postmaster at Alexandria, Va., in place of W. M. Smith. Incumbent's commission expired January 24, 1922.

WASHINGTON.

Edward Van Dyke to be postmaster at Lake Stevens, Wash. Office became presidential April 1, 1922.

WEST VIRGINIA.

Charles B. Crawford to be postmaster at Cabin Creek, W. Va. Office became presidential January 1, 1921.

Oscar G. Casto to be postmaster at Adrian, W. Va. Office became presidential April 1, 1921.

WISCONSIN.

Clarence W. Hebard to be postmaster at Sheldon, Wis. Office became presidential July 1, 1922.

Marinus Jensen to be postmaster at Mountain, Wis. Office became presidential January 1, 1921.

Clara M. Johnson to be postmaster at Ettrick, Wis. Office became presidential July 1, 1920.

Richard J. Hansen to be postmaster at Elcho, Wis. Office became presidential April 1, 1920.

Robert C. Bulkley to be postmaster at Whitewater, Wis., in place of W. C. Kiernan. Incumbent's commission expired January 24, 1922.

Fred J. Hurlless to be postmaster at Viola, Wis., in place of L. L. Henthorn. Incumbent's commission expired September 5, 1922.

C. Amelia Knudson to be postmaster at Scandinavia, Wis., in place of A. L. Olson, resigned.

John D. Laughlin to be postmaster at Marion, Wis., in place of J. D. Laughlin. Incumbent's commission expired September 5, 1922.

William Martin to be postmaster at Campbellsport, Wis., in place of A. F. Fleischmann, declined.

Clarence B. Jensen to be postmaster at Cambridge, Wis., in place of W. B. Telyea, resigned.

Robert Luchsinger to be postmaster at Belleville, Wis., in place of M. M. Wilson. Incumbent's commission expired April 30, 1922.

WYOMING.

Hubert S. Ladd to be postmaster at Hudson, Wyo. Office became presidential January 1, 1921.

HOUSE OF REPRESENTATIVES.

THURSDAY, November 23, 1922.

The House met at 12 o'clock noon.

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

O God, Thou art all in all; to Thy power there is no limitation, and Thy mercy endureth forever. We are unworthy of Thy ministry, but have mercy upon us and magnify Thy strength according to our weakness. Forgive us our sins, and remember us at our best. Dwell with us; be Thou our guide, our guest, and continue to be our constant benefactor. Enable us always to keep in mind that goodness and personal integrity can never fail. In the name of Jesus. Amen.

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

RETURN OF BILL TO THE SENATE.

The SPEAKER. The Chair lays before the House the following message from the Senate.

The Clerk read as follows:

Resolved, That the House of Representatives be requested to return to the Senate the bill (S. 3855) to ascertain and settle land claims of persons not Indian within pueblo Indian land, land grants, and reservations in the State of New Mexico.

The SPEAKER. Without objection, the Committee on Indian Affairs will be discharged from the consideration of the bill, and the request of the Senate will be granted. [After a pause.] The Chair hears no objection.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendment the bill (H. R. 12859) to provide for certain expenses incident to the third session of the Sixty-seventh Congress, in which the concurrence of the House of Representatives was requested.

THE MERCHANT MARINE.

Mr. GREENE of Massachusetts. 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. 12817.

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. 12817, with Mr. TRILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12817, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. GREENE of Massachusetts. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none. The gentleman from Massachusetts [Mr. GREENE]. [Applause.]

Mr. GREENE of Massachusetts. Mr. Chairman and members of the committee, this bill (H. R. 12817) is offered in fulfillment of reiterated solemn platform pledges of the Republican Party to help and upbuild the American merchant marine.

But it is offered in no partisan spirit, because the Democratic Party also has repeatedly pledged itself in its national platforms to restore the American flag to the high seas. All of us Americans—North, South, East, and West—in the years before the World War regarded with dismay the weakness of our ocean carrying trade and the fact that more than nine-tenths of the trade that should have been our own was monopolized by foreigners.

The bill is the result of months of careful study by officials of the Shipping Board, followed by protracted hearings held jointly by the Committee on the Merchant Marine and Fisheries of the House and the Committee on Commerce of the other Chamber. Those hearings were continued day after day and week after week, from April 4 to May 19, and ended only when there were no more persons to be heard. The record of these hearings exceeds in its printed pages even the exhaustive report of the Gallinger Merchant Marine Commission of 1904-5. It can fairly be said that never before have an administration and a Congress given such full study to the merchant shipping question as that of the present investigation, the results of which are now before you.

Not only shipowners and shipbuilders, but merchants, manufacturers, bankers, farmers, and representatives of American sea labor have been faithfully heard. The immense preponderance of the testimony was in favor of this proposed legislation, coming from North, South, East, and West alike. The pending bill has received the formal approval of the National Chamber of Commerce of the United States, representing the commercial and industrial interests of all the States, the American Farm Bureau Federation, the National Association of Manufacturers, the Bankers' Association for Foreign Trade, the Mississippi Valley Association, and the boards of trade and chambers of commerce of all of the principal cities between the Atlantic and Pacific coasts on the one hand and the Canadian border and the Gulf of Mexico on the other. It has the approval of the business men of Chicago, Cleveland, Cincinnati, Indianapolis, Des Moines, Dubuque, Sioux City, St. Louis, Kansas City, Louisville, Detroit, St. Paul, Duluth, Omaha, Memphis, and Milwaukee, as well as the business men of Boston, New York, Philadelphia, Mobile, New Orleans, and Galveston. Especially significant is the support given by the American Farm Bureau Federation. Taught by the lessons of the Great War, the farmers of the inland States realize now that the merchant marine means as much and even more to them than to the producers and traders of the seaboard.

This proposed bill is popularly described as the "ship subsidy bill," but it may fairly be argued that the actual subsidy feature is of less magnitude than the various indirect aids which it bestows. These indirect aids by themselves would not suffice. The so-called subsidies are essential to the success of the policy embodied in the bill. Without them the Shipping Board can not sell its ships, nor can we realize a full-balanced merchant marine. However, the indirect aids, involving no direct payments to shipowners, make up the greater bulk and importance of this proposal. This is a fact that can not be too earnestly emphasized. The bill is a subsidy measure in its lesser and not in its greater part.

First of all as a help to the maintenance of regular overseas lines of cargo steamers carrying also mails and passengers is the provision to be found in Title III under the head of "Transportation of immigrants by water." This requires that "as nearly as practicable one-half of the total number of immigrants admitted to the United States in any fiscal year shall be transported in vessels registered or enrolled and licensed under the laws of the United States." This section, however, is not to take effect until treaties with foreign nations are properly examined and readjusted.

The fairness of a provision that one-half of the immigrants entering this country shall come in American ships and one-half in foreign ships can not be questioned by any open-minded man. It is, in fact, a measure of maritime reciprocity. Before the World War foreign steamship companies, monopolizing virtually all our immigrants, by special annual arrangement divided up among themselves this valuable traffic, allotting a certain per cent to British lines, a certain per cent to German lines, a certain per cent to Italian lines, and so on.

This arrangement worked in practice. The United States Government did not object to it, though it virtually left American steamers out in the cold. No treaties were invoked against it. No protests were filed. This proposed arrangement is far more fair and just. It will help powerfully to guarantee to our country an equitable proportion of the great cargo-passenger steamers, not only so essential for the carrying of our farm and other products but vital to the naval reserve and the national defense in war. Working up of the details of this

policy is intrusted to the Commissioner General of Immigration, under the Secretary of Labor, with necessary regulations, subject to the approval of the Secretary of State.

There is no subsidy in this immigration provision. It does not cost the United States a cent. It will undoubtedly insure more humane care of immigrants on American vessels subject to our laws than would be possible on foreign vessels. It can not and will not be objected to by those who come here from deliberate choice to become citizens of this Republic. They will rejoice to sail from their foreign homes to our ports under the flag that is to be their flag and the flag of their children, just as it is yours and mine.

Two years ago the merchant marine act of 1920, reported to the Senate and House as a nonpartisan measure and upheld and enacted by our two great political parties working together, provided in one of the sections for a revolving loan construction fund for the encouragement of the building of new ships in the United States, particularly by new companies that might most need the assistance of the Government. This revolving construction loan fund was more specifically established in the present bill, and the sum of \$125,000,000, set aside from receipts of the Shipping Board, is made available for loaning to responsible persons "for the construction by them in private shipyards of the United States of vessels of the best and most efficient type, equipped with the most efficient and the most economical machinery and commercial appliances, or in the equipping by them of vessels already built with such machinery and commercial appliances."

This money, loaned out at interest, will come back into the Treasury again. Loans can constitute not more than two-thirds of the value of the vessels built or to be built, the owners furnishing the rest of the capital required. The Government is protected by a first lien on the ships. This will particularly help new investors and will powerfully encourage the ports of the South, the Gulf, and the Pacific to enter on shipowning on their own account. It is stipulated that the interest charge shall be "at a rate not less than 2 per cent per annum." It does not necessarily have to be 2 per cent. This rate, which may be criticized as unduly low, compares with the 2½ per cent rate at which about \$12,000,000 was loaned by the British Government to the Cunard Co. for the building of the *Mauretania* and *Lusitania*.

Our shipowners, particularly our new shipowners, must secure their capital on even terms with their foreign competitors if they are to live. They are justly entitled to this consideration, and those who may criticize a rate of 2 per cent do so in ignorance of world conditions in the shipping trade. The United States, which for 60 years has done practically nothing to help and strengthen its ocean shipbuilding and navigation, can afford to make loans as cheaply as its rivals can, and must do so to hold its place on the seas. Opposition to this provision simply means that those who advance it are not willing that their own flag, their own people, should have a fair, equal chance with foreigners, whose competition they must meet on every ocean route and in every port.

Another form of indirect aid provided in the bill is a requirement that wherever facilities are available the present Army and Navy transport services shall be transferred to the merchant marine under 10-year contracts for the satisfactory performance of these services. This is simply following the example of successful maritime nations of the world, which do not maintain costly transport services at government expense but make arrangements on a business basis with their own shipowners for the transportation of military and naval forces and supplies wherever needed. This, again, is simply a long-neglected measure of fair play to the American ocean shipping industry, putting it on the same basis with its long-favored foreign competitors.

The bill also requires that Government materials and supplies must be transported under the American flag wherever possible, and that Government officials traveling by sea shall sail in American ships wherever possible. Is there any Member of the House who would object to this and deny this decent preference to the flag of our own country, which the laws and practices of all other nations give to their flags?

Because the ocean shipping industry can not be aided and encouraged as are all other internationally competitive industries by the tariff laws, special consideration must equitably be given to this industry by the provisions in the present bill directing that a deduction of 5 per cent be made in the amount of Federal income taxes paid by shippers of goods either inward or outward in American vessels. This will directly benefit the manufacturers, farmers, and other producers of exported merchandise, as well as the merchants handling ex-

ports or imports, and will powerfully contribute to the increase of our foreign trade. It will indirectly benefit American shipping by encouraging American shippers to send their goods under our own flag. This is a powerful aid of the very first importance. Provisions in the present bill making proper allowance for actual depreciation of vessel property, which has had an extraordinary fall in value all over the world as a result of reaction from the war, and exemptions from Federal taxation on the net earnings of American ships in the foreign trade, on strict condition that the amount of the exemption, with an added amount of private capital, be devoted to the building of new ships in the United States, are simply the amplifying and perfecting of features of the merchant marine act of 1920, already approved by the Congress. The most rigorous precautions are provided for proper enforcement of these provisions to make certain that the United States reaps the maximum of benefit.

It may be urged that these deductions and exemptions from taxation tend to make a specially favored interest out of the shippers and owners of American ships. In fact, these provisions are merely a compensation for the inability to protect American shipping as other industries are protected by our tariff laws and regulations. These deductions and exemptions do not mean any special favor, but merely fair play to the shipping industry, to give it an equal chance with other American industries and with foreign competitors, all of whom are favored or aided in some way by their respective governments. If shipping could be shielded as manufacturing and agriculture are, these deductions and exemptions would not be asked. They are simply in part the equivalents of tariff protection, and they can decently be objected to by no public men who are asking or receiving such protection for their own constituents.

It is because American shipping in the foreign trade alone of all our industries has not been aided or protected by the Government that in the past it has faltered and gone down.

Now, in this bill we are seeking to remedy long years of discrimination and injustice. These, as thus summarized, are the indirect aids to the American merchant marine which this bill is providing. I come now to the direct subsidy, or what the President aptly calls "compensation." This is to be found in Title IV. First, a merchant-marine fund is established, made up of all proceeds from tonnage duties and dues which will amount to about \$4,000,000 a year, and of 10 per cent of the amount of customs duties which will yield about \$30,000,000 a year additional. Into this merchant-marine fund also go all excess earnings of shipping receiving compensation. In this connection, gentlemen, I feel that there are some among you to-day who honestly believe that this merchant-marine fund would necessarily be paid out to the very last penny. This viewpoint, however, would simply give rise to the theory that a bank depositor, for instance, would, as a general principle, seek to draw upon every dollar of his account merely because of its availability. In other words, the individual and corporate tendency of maintaining a surplus or reserve fund would be utterly disregarded. Unquestionably every unexpended dollar of this merchant-marine fund would find its way back into the coffers of the National Treasury, and I venture to say that the turnover would be material to say the least.

Under strict contracts with the Government, compensation is authorized for periods not exceeding 10 years to cargo ships pure and simple and to cargo, passenger, and mail ships, so that this direct encouragement may be realized equitably by all American ships engaged in foreign commerce and meeting foreign competition. This will assist both "tramps" and liners, and is a just, straightforward fashion of dealing with the problem of the merchant marine, ten-elevenths of whose tonnage is now made up of cargo ships. Amounts of compensation to be paid to average cargo vessels under this bill, as has been proved before the committee, will not fully meet the difference in wages and subsistence as between American and British ships, to say nothing of our even more cheaply run competitors of other nationalities.

The bill, therefore, requires that American shipowners shall show more enterprise, efficiency, and economy than their rivals of foreign lands. Our shipowners and operators are put to their mettle to win out—and they will not shrink from the responsibilities. It is precisely estimated on the basis of actual shipping available that the bill will not call for a greater amount for subsidy or compensation than \$12,000,000 to \$15,000,000 for the first year, and that an eventual expenditure of about \$30,000,000 annually will create and maintain a total American shipping in the foreign trade of 7,500,000 tons gross register and capable of carrying from 50 to 60 per cent, or "the greater portion," of the export and import trade of the United States.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GREENE of Massachusetts. I will.

Mr. GRAHAM of Illinois. Does the gentleman mean that the gross amount paid out under this subsidy will amount to approximately \$15,000,000?

Mr. GREENE of Massachusetts. Twelve to fifteen million dollars the first year.

Mr. GRAHAM of Illinois. That is the gross?

Mr. GREENE of Massachusetts. Yes, sir.

Not only is the compensation carefully restricted to the amount of the merchant-marine fund but it is not gratuitously given to any shipowners. They must comply first with certain rigid requirements calculated to safeguard the interests of the United States. They must, subject to certain slight temporary restrictions, have all their ships built in the United States by American workmen.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. GREENE of Massachusetts. I will.

Mr. SNYDER. My mind goes back to where the gentleman read the organizations of this country which had indorsed this bill. I did not notice in anything the gentleman read that the American Federation of Labor indorsed the bill.

Mr. GREENE of Massachusetts. The American Federation of Labor did not indorse the bill, and one of the witnesses who came before us at the hearings on the bill, and the only one who appeared representing the American Federation of Labor, said he preferred to have goods carried across the ocean in British bottoms and not in American bottoms.

Mr. KNUTSON. Is that statement in the hearings?

Mr. GREENE of Massachusetts. It is in the hearings.

Mr. KNUTSON. That is very important.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. GREENE of Massachusetts. I will.

Mr. BANKHEAD. What witness said that?

Mr. GREENE of Massachusetts. Mr. Wallace, representing the American Federation of Labor. It is in the hearings.

Mr. KNUTSON. Will the gentleman yield further?

Mr. GREENE of Massachusetts. I will.

Mr. KNUTSON. Did Mr. Wallace state why he preferred to have American goods hauled in British bottoms?

Mr. GREENE of Massachusetts. Because he said it could be done cheaper than by American vessels, and he preferred to have it done by the British Government because they understood all about the shipping business.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. GREENE of Massachusetts. I will yield.

Mr. DAVIS of Tennessee. Do I understand the gentleman from Massachusetts to say he made that statement at the hearing?

Mr. GREENE of Massachusetts. He made that statement at the hearing?

Mr. DAVIS of Tennessee. I do not recall—

Mr. GREENE of Massachusetts. Because the gentleman was not there. If he will examine the hearings he will find it.

Mr. DAVIS of Tennessee. He said he was against it because he was opposed to a subsidy.

Mr. GREENE of Massachusetts. He said he was opposed to subsidies, but did not have any principle about it.

These ships receiving compensation must all be classified in our great national agency, the American Bureau of Shipping, in the highest classification possible, thus serving the valuable purpose of making the United States independent for all time from discriminations by the British Lloyd's or other foreign agency. These compensated ships must carry crews of which at least one-half at first, and after three years two-thirds, exclusive of licensed officers, must be American citizens—the remainder of the crews to be of individuals eligible for American citizenship. This is demanded of the deck and engine departments of all American ships receiving compensation, but as Americans do not serve afloat or ashore as servants, an exception is made in favor of the stewards' departments on passenger ships.

This requirement of American citizen crews is a most wise and valuable proposition, for it insures the existence of an American seagoing personnel of economic value to the country in time of peace and of immeasurable defensive importance in time of war. Under this provision the alien seamen, who have been too numerous on our ships and have failed us in emergencies, will hereafter be excluded from the merchant service of the United States. The bill makes elaborate requirement that ships receiving compensation shall be dominantly owned and controlled by American citizens whose first thought is the upbuilding of American interests.

Under special circumstances the Government can increase the rates of compensation provided, and can also decrease them when this is justified. All ships receiving compensation are subject to be taken at any time by the Government for the national defense or for any national emergency at a fair actual value, but it is carefully provided that in no case "shall such fair actual value be enhanced by the causes necessitating the taking." These compensated ships, moreover, must make all their repairs, renewals, or reconditioning in American shipyards. A specially significant provision is that by which excessive profits are prevented.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. GREENE of Massachusetts. I will.

Mr. GRAHAM of Illinois. Before the gentleman leaves that subject, that is what the gentleman said about compensation at a fair market value of the ships at the time they are taken over by the Government. As I understand the hearings, the British ships *Mauretania* and *Lusitania*, I think they were, had a contract with the British Government by which they had to be taken over in time of war at their value at the time they were built. I notice the gentleman did not follow that plan in this bill. Why did you not?

Mr. GREENE of Massachusetts. We did what we thought was best.

Mr. GRAHAM of Illinois. The gentleman thinks it is better to fix the market value at the time they are taken over rather than what they cost the Government?

Mr. GREENE of Massachusetts. I think it is more fair to do that on our ships.

Mr. GRAHAM of Illinois. Well, I noticed that difference.

Mr. GREENE of Massachusetts. We tried to draw this bill fairly and honorably, and if a man had a ship needed in case of war that it would not be proper to take it away from him except at a fair market value at the time it was taken.

If in any one year net profits of any given ships exceed 10 per cent, the balance is to be repaid to the Government until the full amount of compensation is returned. Under this restriction there can be absolutely no profiteering at the Government expense; but it should be emphasized that no net profit of 10 per cent, or any other rate, is guaranteed to any compensated or "subsidized" shipowner. He must take his chance and win his profit by his own economy and enterprise. All that the Government does for him is to place him, through this bill, on approximately even terms of competition with the shipowners of foreign nations.

Thus I have outlined the main constructive features of the proposed bill, a full analysis of which has already been given in the majority report of the Committee on the Merchant Marine and Fisheries. This measure embodies the best thought of which your committee is capable. It is favorably reported to the House by the unanimous action of the Republican majority, with which, I believe I am able to state, at least two of the minority members of the committee are in substantial agreement. We have not sought to bring out this bill as in any sense a partisan measure. As to those minority members who have signed a dissenting report, they must assume their own responsibility for partisan action on a national issue on which there should be no division along partisan lines. The merchant marine is essentially as national and nonpartisan a question as the Navy—a question on which all Americans, regardless of party or of section, ought to be agreed.

Some of those who do not like this bill have described it as a very powerful measure. It is a powerful measure—it needs to be—far more powerful than the merchant marine act of 1920, which was confessedly not complete. We need to give very strong aid to a merchant marine, because for many years our ships have been almost driven off the seas, and their foreign competitors, with the backing of their governments behind them, have had almost absolute command of the situation. In this position they have discriminated against our ships and our flag in every possible way.

Mr. CRISP. Will the gentleman yield?

Mr. GREENE of Massachusetts. I will.

Mr. CRISP. I note during the gentleman's long and honorable career here he has given great thought to the American merchant marine. I would like to know what effect the La Follette Act has on American shipping, in the gentleman's opinion. I have heard it contended it is one of the great handicaps to American shipping, and I have heard it denied. I would like to have the gentleman's views in regard to that question.

Mr. GREENE of Massachusetts. The La Follette Act was the act of both parties. It is in effect the law. It does make the cost of running a vessel higher than those of foreign governments that are not under the act.

Mr. CRISP. To what extent, what per cent?

Mr. GREENE of Massachusetts. I can not tell the gentleman the percentage. I did not figure it out on a percentage basis, because there was no contest over the La Follette Act.

Mr. SYDER. I think in the President's statement he said it was about double. In the gentleman's judgment, he having made a very careful investigation of this question, covering many months, does he not think a pretty fair subsidy would be to repeal the La Follette Act entirely?

Mr. GREENE of Massachusetts. If you can get both sides of the House to do it, I would like to see it done.

Mr. FAIRFIELD. Mr. Chairman, will the gentleman yield?

Mr. GREENE of Massachusetts. Yes.

Mr. FAIRFIELD. Would it not be possible to secure the information that has been asked for by the gentleman from Georgia [Mr. Crisp] concerning the increased cost due to the La Follette Act and have it expressed in the Record?

Mr. GREENE of Massachusetts. I think it would be.

Mr. FAIRFIELD. I think we ought to have the data on that question.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GREENE of Massachusetts. Yes.

Mr. GRAHAM of Illinois. If the gentleman will yield, there are in the hearings several tables giving the comparative cost under American law and under the foreign laws, and as I looked them over and checked them off I noticed that the cost of running an American ship was just about double what it was under the foreign laws. You will find very extensive tables covering that matter in the hearings.

Mr. SNYDER. The gentleman will realize that that is all on account of the La Follette Act?

Mr. GRAHAM of Illinois. Yes.

Mr. EDMONDS. I may state that the gentleman from Illinois [Mr. CHANDLER] has prepared a complete statement of the comparative costs in American and foreign vessels. When he takes the floor this afternoon he will give that data.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GREENE of Massachusetts. Yes.

Mr. BLANTON. It was stated yesterday by one of the speakers for the measure under the rule that the extra cost placed upon shipping by the La Follette Act would be an amount greater than the entire subsidy of this bill. Is the gentleman in accord with that statement?

Mr. GREENE of Massachusetts. I would not like to make that statement without a thorough investigation of it, but I should think likely it might be.

Mr. BLANTON. It will probably be admitted by everyone that there are some admirable provisions in the La Follette bill. Leaving them, would the gentleman's party be willing to amend that act and repeal the specially onerous provisions that ought to be repealed?

Mr. GREENE of Massachusetts. Well, the gentleman speaks for his own party. What will they do?

Mr. BLANTON. Well, speaking as one member of it, the present gentleman would be willing to do it.

Mr. GREENE of Massachusetts. All right. I am not discussing that question now.

I need only to remind the House of the recent episode of the Egyptian cotton trade at Alexandria. When American shipowners sought to obtain even a small share of the carrying of the long-fiber Egyptian cotton to the mills of New England, these American shipowners were told that this trade had long been a British monopoly and that not a pound of the Egyptian cotton which American merchants and manufacturers were purchasing could be brought to an American port under the American flag.

Is there any Member of this House whose face does not flush with shame and resentment at a situation where such a thing can be said—not a pound of cotton, American property, to be carried in an American ship? Yet British arrogance and greed had reached this point at Alexandria. There could be no pretense that it was intended as retaliation against American legislation, for this British monopoly of the Alexandria cotton trade had been many years established.

Not until our Government grasped this Alexandria situation could the British monopoly be broken or even shaken. Not until our Government acted, by sending representatives to Great Britain and plainly intimating that there would be reprisals unless there were a change, did the Liverpool liners' conference concede even the carrying of a part of Egyptian cotton to American ships.

What happened at Alexandria may happen at any port of the world where our American ships meet British competition. Therefore an American shipping law must be a powerful law or it will not succeed. All the provisions of this proposed bill

together are demanded by the methods of our adversaries, long entrenched in their position and monopolizing nine-tenths of the carrying trade of the United States. It is because this bill is powerful that foreign interests dread it as they have dreaded no American shipping legislation ever before proposed.

I regret to state that the so-called minority report against this proposed bill, while it bitterly assails the bill, offers no substitute whatsoever. The President of the United States in his memorable address on the merchant marine on February 28 last at the joint session of the Senate and the House of Representatives well declared that "with direct and indirect aid I bring to you a definite program. Those who oppose it ought in all fairness to propose an acceptable alternative. There can be no dispute about the end at which we are aiming."

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. GREENE of Massachusetts. Yes.

Mr. FAIRCHILD. Are you willing to give your views on the subject of discriminatory duties as a substitute?

Mr. GREENE of Massachusetts. I do not think it is advisable to adopt anything of that kind. I think we have made a very great improvement over any such proposition.

In spite of this weighty admonition of the Chief Executive, those who oppose this bill, as I have said, offer nothing else. They content themselves with criticism and attack. They have nothing better to say. They present not a line or sentence of constructive thought. They fail to meet the challenge of the President and acknowledge that they can not meet it.

On this critical issue of the life of the American merchant marine they have nothing to give this House but pleas long since exploded, empty epithets, and profitless vituperation. They have nothing to suggest but a weak, fatuous continuance of the do-nothing policy that has wrecked our merchant marine in the past and would ruin it for the future. I do not accuse those who signed the hostile report of any deliberate purpose to strike down their country on the seas, but I do declare that the direct, sole beneficiaries of the course they would have the Congress follow would be the shipowners and governments of foreign nations, our rivals in trade and possible enemies in war.

What Europe on the east and Japan on the west dread, as their public men and journals have been openly admitting, is the adoption by our national lawmakers of the forward-looking, constructive recommendations of President Harding. What these foreign interests desire is the defeat of those recommendations and the continuance of that same do-nothing policy which in the past has given foreign interests a monopoly of nine-tenths of our overseas carrying trade and would most certainly give them a like monopoly again.

The issue presented in this bill is, therefore, squarely one between America and foreign nations. There is no middle ground, no possible compromise. Those who blindly oppose this bill show no way out. They have confessedly no policy of their own but one of do-nothing and drifting, which, as the experience of 60 years has shown, is nothing but a policy of defeat and surrender. What that means in a great national crisis was shown in a way that will never be forgotten in 1914 at the outbreak of the great World War, when those nations which we had allowed to dominate our ocean carrying withdrew many or most of their ships from our ports for their own purposes and left our surplus agricultural products to rot in the fields or in the blocked-up railroad trains, and the trade and industry of America were paralyzed in consequence.

That blow fell most heavily on the very sections that foreign shipowners and their governments now look to most confidently to oppose and defeat this legislation; that is, to the great producing sections of the West and South. It was the people of these sections, the farmers and the ranchmen and the planters, who were the greatest sufferers from our lack of appreciation of the merchant marine; and in a similar crisis, which may come in any year out of the disturbed conditions now prevailing in this world, it is these farmers, ranchmen, and planters who would again be the heaviest sufferers.

The only possible protection of the producers of this country—and not of the farms only but of the mines, factories, and mills—is the creation and maintenance of a great American merchant fleet that in an emergency can suffice to carry the bulk of our commerce and that can be controlled by our Government to serve America first. The proposed bill will most certainly accomplish this. Instead of the skeleton, ineffective shipping of 1914, the bill will give us a mighty tonnage, whose competition, under the safeguards of this bill, will assure just freight rates and adequate facilities for our export trade in peace or war.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. GREENE of Massachusetts. Yes.

Mr. RAKER. The gentleman's statement now causes me to refer to Title III of this bill, sections 301 and 304, regarding the

transportation of immigrants by water. Is it the gentleman's opinion as chairman of the committee that that provision of the bill contravenes commercial treaties that we have with foreign nations at the present time?

Mr. GREENE of Massachusetts. I am not disturbed by foreign treaties. If there are any treaties that interfere with this bill, we will try to deal with the nations that are affected diplomatically through the State Department.

Mr. RAKER. I know; but I want the gentleman to be frank in answering the question.

Mr. GREENE of Massachusetts. I am frank, and the gentleman knows it.

Mr. RAKER. Is it not the gentleman's opinion that the provision referred to contravenes 32 treaties now in existence?

Mr. GREENE of Massachusetts. The provision referred to is not to take effect until treaties with foreign nations are properly reexamined and readjusted.

Mr. RAKER. If it is true that the bill does contravene treaties with foreign countries, some 32, why does not the gentleman say in the bill that half of the property that comes into the United States should come in American vessels?

Mr. GREENE of Massachusetts. Does not the gentleman make a distinction between persons and property?

Gentlemen, as a final word let me urge the total dissipation from your minds of the bugaboo which the word "subsidy" unfortunately suggests to some. What are the irrigation dams and the watersheds set up by the Federal Government in cooperation with certain States if not a form of subsidy to landowners, stock raisers, and agriculturists? What are the land grants and franchises given to railroads? Subsidy. What are the advances made for highways? Subsidy. What are the farm-mortgage banks for if not to provide to those concerned at least an indirect subsidy? These are the beneficent applications of a principle with which the public is thoroughly familiar. Why deny its potential beneficence in another quarter because it happens to come forward under a different designation?

The placing of an adequate merchant marine on the high seas, gentlemen, means among other things the promotion of foreign trade and incidentally our fair share of Latin American trade, the retention of about \$300,000,000 a year in freight money in this country, employment of thousands of men in shipping and allied trades, and the creation of a naval reserve, making it certain that never again will it be necessary to create a fleet at a cost of \$3,000,000,000 in an emergency such as we were obliged to meet less than six years ago.

Those who are against this measure and have no substitute or alternative of their own are against the dearest interests of all America. [Applause.]

How much time have I consumed, Mr. Chairman?

The CHAIRMAN. The gentleman has consumed 47 minutes.

Mr. GREENE of Massachusetts. I will ask the gentlemen on the other side to use some of their time.

Mr. BANKHEAD. I yield 40 minutes to the gentleman from Wisconsin [Mr. J. M. NELSON].

The CHAIRMAN. The gentleman from Wisconsin is recognized for 40 minutes.

Mr. J. M. NELSON. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

Mr. J. M. NELSON. Mr. Chairman and gentlemen of the committee, President Harding having called us together in extra session, as he said he would, made a very eloquent address to the Congress, appealing for the passage of this measure. I think by common consent we will agree that his was perhaps the best presentation of that side of the subject that any of us has ever heard. Other champions of the ship-subsidy idea on the floor of the House or of the Senate may equal the President in his moving appeal, but I doubt that they will surpass him.

Fortunately or unfortunately for me, although I recognize the potency of the President's appeal, although I know, too, that he has consulted the Shipping Board and had all the arguments and data that they could furnish, and they are insistent upon this legislation, and although this distinguished Committee on the Merchant Marine and Fisheries has reported the bill favorably, I can not give it my support. I recognize the plausibility of the inducement, but I can not support the bill, for sufficient reasons. It is not good to go against one's conscience; that spells moral suicide. Nor do I think it wise or safe to go against one's constituents, for that is political suicide.

Now, Mr. Chairman, I appreciate very much the partisan situation; but let me call your attention to the fact that my friend from Massachusetts [Mr. GREENE], the distinguished chairman of this committee, surely did not mean to say that

our party has declared for this bill. If he meant to convey that idea it was a distortion of the language of the plank in our platform. The platform speaks of indorsing "the sound legislation recently enacted." That was the present Jones law, and the shipping was then under Government ownership. I will not take time to read the plank at length, but I challenge any Republican here to say that the Republican Party has ever declared for a ship subsidy. It indorsed a merchant marine, but that can be done without indorsing a monstrous artificial inflation of unjustifiable special privilege. It did not say, "We are for putting our merchant marine in the hands of a few shipowners and subsidizing them." Gentlemen, let us not distort the facts in order to pass the bill. Let us be frank and open. Not that my friend from Massachusetts [Mr. GREENE] would deliberately distort the truth; but if he inadvertently conveyed to you the impression that there has been any such indorsement it is not substantiated by the facts.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. J. M. NELSON. I would be glad to yield to the gentleman, but I wish to make my own statement, and I have only 40 minutes.

Mr. YATES. Will the gentleman be kind enough to state again just what our platform says?

Mr. J. M. NELSON. I will hand the gentleman our platform and let him read the plank. I can not turn to it this moment.

My friends, I am a Republican, and I have seen all I wish to see of a Democratic administration. I should like to see the good old ship of state steered by Republicans. But when as now my party leaders—and I believe many of them against their own best judgment—steer the ship of state in a wrongful course, when my heart and convictions and conscience rebel against some such legislative measure as this subsidy bill before us now, then, as frequently in the past, I can not go with them. I must resort for a time to a lifeboat or a plank. Self-preservation is the first law of life. You watch Republicans jump for the planks. You watch the Republican whip jump.

Mr. KNUTSON. I will speak for myself. I hope the gentleman will not undertake to speak for me.

Mr. J. M. NELSON. The newspapers quoted the gentleman—

Mr. KNUTSON. The newspapers, as usual, were wrong.

Mr. J. M. NELSON. You watch the chairman of the conference jump. You watch many a Republican save himself before we get through with this bill. I have had to go through this experience very often. I happen to be one of the older Members of this House. I remember when these subsidy bills were up before, when Hanna and Gallinger had started them, and when "Uncle Joe," in his prime and vigor, backed by leaders like Payne and Dalzell, together with my distinguished friend from Massachusetts [Mr. GREENE], were pushing this subsidy privilege. As a new Member, I had to face the music. They were as adroit and eloquent then as they are now. I voted "no" on this subsidy issue two or three times. I was reelected for it by my constituents. The last time it was a dramatic event. It was on the final passage of the bill. The House was all excitement, much more so than now, because everybody knows this bill is doomed. There is no great excitement now, but then it was a live issue. We beat subsidy by 172 to 175. I remember this event distinctly, because before I voted a messenger came to me with the message that Mr. Hitchcock, the new Postmaster General, wished to see me in the Speaker's room. He was also chairman of the National Republican Committee.

Mr. SNYDER. Will the gentleman yield for just a moment?

Mr. J. M. NELSON. I desire to make my speech.

Mr. SNYDER. I desire to call the gentleman's attention to an error in his quotation of the Republican platform on this subject.

Mr. J. M. NELSON. Well, I will put it in the RECORD:

MERCHANT MARINE.

The national defense and our foreign commerce require a merchant marine of the best type of modern ship flying the American flag, manned by American seamen, owned by private capital, and operated by private energy.

We indorse the sound legislation recently enacted by the Republican Congress that will insure the promotion and maintenance of the American merchant marine.

We favor the application of the workmen's compensation acts to the merchant marine.

We recommend that all ships engaged in coastwise trade and all vessels of the American merchant marine shall pass through the Panama Canal without payment of tolls.

I do not want this interruption taken out of my time.

The CHAIRMAN. The gentleman declines to yield.

Mr. J. M. NELSON. Mr. Hitchcock said to me, "The President has directed me to ask you as a personal favor to support this bill." This was on the 2d of March, and President Taft was about to be inaugurated with all the prestige of his great victory.

I had done all I could to elect him. That message conveyed by Postmaster General Hitchcock was the most suggestive personal presidential address to which I have ever listened. I thought it over for a moment and then said, "I am sorry, but I can not do it," and so I voted against it. My people were watching that vote. Two years afterwards I was reelected, and four years afterwards I was reelected, but President Taft was overwhelmingly defeated in the country, in my State, and in my district.

Let me say to my good Republican associates here who would vote right, the rank and file of the Republicans are out on the farms and in the factories. They are not these leaders nor these shipowners. If we are going to hold our party, we have got to go to the masses and not look to the ship profiteers. Every man knows it. If you will look out and see the angry waves of discontent, you know that I am speaking the truth.

Now, my friends, so much for the partisan aspect of this legislation. I wish to run through this bill hurriedly to point out a few of the many objections, a few of the great dangers I find connected with this subsidy proposition. The people will understand this measure. We are not doing something in the dark. Everybody is watching this extra session after this surprising election.

First, I recognize the power of the President's argument, namely, that we are already in a bad boat. We have a huge deficit; but there are many things about that aspect of the situation I am not going to take time to discuss. How did the deficit swell up so quickly? Was it deliberate? Was it accidental? Was it necessary? Without making any reflections upon the Shipping Board, I agree with the Nation when it says this of Chairman Lasker:

Indeed, one of the worst features of the subsidy movement is the way in which an administrative body like the Shipping Board has been distorted into a publicity agency and is spending taxpayers' money to further the fortunes of its personnel. Mr. Lasker said before a congressional committee last summer, "I am not an expert in shipping, but I take a little pride in being an expert in publicity." He has proved both contentions.

I do not believe that Mr. Lasker has shed any tears because this deficit was growing so lustily. That made the opportunity for his skill as an advertiser of private ownership and subsidy.

Lest the Nation be charged with being pro-British, I will quote the Bankers' Magazine. It ought to be sufficiently conservative for anybody. Editorially it tells us that this subsidy proposal looks like "pouring money into a sieve." The drift of its opinion may be discerned from the following additional views:

It is not calculated to enhance the popularity of any publication by taking a stand in opposition to the extension of our merchant marine. * * * Whether we shall profit as much as is hoped for by extending the operations of our merchant fleet is a debatable question. It resolves itself into the matter of ability to handle this type of business with economy and efficiency. That is a wise man who does not himself attempt to do what others could be employed to do more advantageously. The same principle applies to the shipping bill. We must not lose sight of the fact that this country has prospered enormously in the last generation with almost no merchant fleet of our own. We were busy in other ways and were making more money by our employing our own capital and large amounts of borrowed funds in building railroads and in developing our varied domestic industries.

Granting, however, that the development of a vast merchant marine would be not alone gratifying to American pride but would benefit our industries and commerce, the question remains, Are we ready to pay the price? And this does not mean merely that we shall grant the ship subsidy which the President favors, but that we shall take all the other steps by means of which an American merchant marine can be established and profitably maintained. Unless we take these other steps the payment of \$30,000,000 a year to subsidize American shipping looks like an indefensible waste of public funds. We have not so much money that we can afford to throw \$30,000,000 a year into the sea.

That the President's view is not shared even by Current Opinion is apparent from its article entitled "The ugly duckling—ship subsidy." Of the business wisdom of the proposal it says:

After all, President Harding and Chairman Lasker have not played quite fair with us on this matter. The country has a right to decide the ship-subsidy question as a separate issue and not as a means of disposing of a white elephant left over from the war. The Yankee has a thrifty horror of waste; he is appalled by the news that \$3,400,000,000 was wasted on ships and that they are now eating their heads off at the rate of \$1,000,000 a week. But these facts do not justify us in rushing, before we are sure that it is right and wise, into a policy which will cost another half a billion. If the subsidy is not needed in normal times, it should not be adopted in an abnormal situation, no matter how expensive, temporarily, that abnormal situation may be.

Evidently the New Republic looks at this enterprise from the same angle. It deplors the fact that the question of subsidizing should be bound up with the disposal of this enormous

fleet acquired during the war. It believes that these two questions should be considered separately.

Instead of this—

It says—

the enormous cost of maintenance of the Shipping Board's boats is used as a feverish argument in favor of the policy of subsidizing which would have little chance of adoption if considered on its merits.

It would be hard to select a worse moment to embark upon a policy of Government charity to shipowners than the present. As a result of a world-wide severe industrial depression, shipping is idle in every port. The leading maritime powers have hundreds of vessels laid up, and you can buy ships anywhere at less than the present reproduction cost, though that is lower than at any time since the war began to raise wages. American shipyards are operating at about 5 per cent of capacity, and are building none but special types. Shipyards abroad are in a similar condition.

Finally, I find myself in accord with the Traffic World, in its failure to understand the business acumen embodied in this bill. It says:

Now, subsidy is advocated and it is proposed that Congress appropriate \$50,000,000 or more annually for 10 years to keep the flag flying on these ships. In 10 years the Treasury would, under that plan, hand over to the United States ship operators \$500,000,000 as help in operating a fleet that the chairman of the Shipping Board says will not bring \$200,000,000 on the market. Whatever else may be said for it, that looks like rather poor finance, does it not?

Nothing seems clearer business reasoning than that if we only get \$200,000,000 for our ships, and then fire Lasker and the Shipping Board, we shall have saved at least \$300,000,000 in 10 years.

Gentlemen challenge us to show a better solution to the difficulty that is before us. It may, indeed, be difficult to suggest a better, but much more difficult to suggest a worse solution of our present shipping conditions.

At the outset, Mr. Chairman, there is an aspect of this business deal, the sale of our ships, that I do not relish.

The shipping interests will buy only a few of the ships, the cream of them, says Mr. Lasker. He does not expect to get over \$200,000,000 for all he can sell. So you give them the ships at that price and then give them the subsidy, and the \$20 per ton will double and treble and quadruple in their hands, because it is backed by a subsidy. The Wall Street Journal says that shippers estimate that a subsidy and favorable regulations will make these ships worth a billion dollars in their hands. Can we vote for such a thing and defend it in good conscience on the stump?

But there is another thing, my friends. When you study this bill you will find that it is so drawn that it provides an assured return of 12½ per cent annually and over that to these shipowners. Why, you know what the people think of the Esch-Cummings law, with its 5½ or 6 per cent guaranty, and that was only for a time. This is for 10 years, an assured return of 12½ per cent.

Mr. EDMONDS. Will the gentleman yield?

Mr. J. M. NELSON. I will.

Mr. EDMONDS. What section of the bill assures a profit of 12½ per cent?

Mr. J. M. NELSON. I thought the gentleman would want that. I will give him the proof. I am convinced, because I have carefully gone over this subject. The Library of Congress has much ship-subsidy information. This bill has been before the people and it has been analyzed by many.

Mr. SNYDER. Will the gentleman yield?

Mr. J. M. NELSON. I will yield if you will give me more time. Can the gentleman from Alabama give me more time?

Mr. BANKHEAD. I can not give the gentleman any assurance that he can have more time.

Mr. J. M. NELSON. I would like to yield, but I have many objections that I wish to present. Here is my authority. Now, will the gentleman listen? In the English Parliament, on May 22, 1922, a member rose in his seat and asked the under-secretary of foreign affairs this question:

What is the estimate of the advantage to the United States shipping which will be derived from the system of subsidy proposed by President Harding in his message of the 28th of February?

The Undersecretary for Foreign Affairs, Mr. Harmsworth, said:

According to the best available estimate, the aid, direct and indirect, which the United States shipowner would receive under President Harding's proposal would amount each year to rather more than 12½ per cent of the capital value of the vessel.

Mr. EDMONDS. Will the gentleman yield?

Mr. J. M. NELSON. I decline to yield unless you can give me more time. If you will, I will yield. Now, then, it may be said, "Ah, that is British; he said that to deceive public sentiment over here; that is British propaganda." Do you tell me that the Undersecretary for Foreign Affairs would lie to the British Parliament in order to influence public sentiment here? I can not believe so. No honorable gentleman, no high official,

in our country would tell us a lie, would endeavor to deceive us so as to influence British action. Do not tell me that he did not know what he was talking about. It is his business to know about British affairs in shipping.

Mr. MILLS. Will the gentleman yield?

Mr. J. M. NELSON. I can not yield unless you will give me some time.

Mr. MILLS. The gentleman knows that I control no time.

Mr. FREAR. Will the gentleman permit me to make a suggestion?

Mr. J. M. NELSON. Yes.

Mr. FREAR. The gentlemen on this side have control of the time and have not given the gentleman from Wisconsin a minute.

Mr. GREENE of Massachusetts. He has not asked for any.

Mr. FREAR. Will the gentleman give him some time?

Mr. J. M. NELSON. The Undersecretary for Foreign Affairs has the special data; he made the most reliable estimate that was possible. If it is not accurate, let some American official high in authority give us his estimate, give us the figures, so that we may have the truth. In the meantime let us accept this estimate. Are you going to give these shipowners an assured income every year of over 12½ per cent? Can you justify it? Government is based on justice, which has two forms, retributive and distributive. Applying the first, I ask what have the shipowners done to merit this subsidy? Before the war they made lots of money. During the war they were among the big profiteers. Are you going to subsidize them for 10 years with an assured income of over 12½ per cent, according to the best estimate of one of the best-informed authorities?

Mr. YATES. The gentleman has made a very important statement. Where does he get it from?

Mr. J. M. NELSON. I have just read the gentleman the authority, the English Undersecretary for Foreign Affairs, Mr. Harmsworth.

Mr. MILLS. Will the gentleman yield?

Mr. GREENE of Massachusetts. I will yield to the gentleman from Wisconsin five minutes.

The CHAIRMAN. The gentleman from Massachusetts yields five minutes to the gentleman from Wisconsin, and does the gentleman from Wisconsin yield to the gentleman from New York?

Mr. J. M. NELSON. Yes.

Mr. MILLS. The gentleman from Wisconsin has stated that this guarantees a profit of 12½ per cent for 10 years.

Mr. J. M. NELSON. The gentleman is mistaken; I did not. I will again give him the language.

Mr. MILLS. I know what that language is.

Mr. J. M. NELSON. I did not say guarantee, but it gives them an assured income.

Mr. MILLS. I understood the gentleman to say, and if he has not said it I will be glad to have him withdraw it, that this will assure a profit of 12½ per cent for 10 years.

Mr. J. M. NELSON. I mean to say what this says here, that according to the best estimate, direct and indirect, they would receive an amount each year rather more than 12½ per cent.

Mr. MILLS. But that does not mean profit, that 12½ per cent may be wiped out by operating costs. Does the gentleman mean to say to this House that this bill assures a profit of 12½ per cent?

Mr. J. M. NELSON. The bill assures a return of more than 12½ per cent on the invested capital of the ship.

Mr. MILLS. I say that the statement of the British authority makes no such statement.

Mr. J. M. NELSON. Oh, what is the use of arguing about that?

Mr. FREAR. Will the gentleman yield?

Mr. J. M. NELSON. Yes.

Mr. FREAR. I want to ask the gentleman who the gentleman from New York is speaking for at this time.

Mr. J. M. NELSON. I will come to that, if I have the time.

Mr. FREAR. Or was the gentleman speaking for the people who want the ship subsidy largely located in New York?

Mr. MILLS. I was speaking for the sake of truth when the gentleman misquoted an authority. [Applause.]

Mr. FREAR. And the gentleman from New York has been on the opposite side of practically every proposition that the last Congress passed, and he is wrong.

Mr. MILLS. I have been in opposition consistently to measures which I thought were not for the benefit of the Nation.

The CHAIRMAN. The gentleman from Wisconsin [Mr. J. M. NELSON] has the floor.

Mr. J. M. NELSON. Gentlemen, construe it as you like. You are capable of understanding what the Undersecretary for Foreign Affairs meant. You will make your own construction. I

wish now to bring another point to your attention. Who is going to pay for this?

Your constituents and mine. By this bill they are to be the burden bearers. How much are they to pay? The estimate of the subsidy in this bill, direct and indirect, is how much? Fifty million dollars said Mr. Lasker, and these gentlemen here can not deny it; but the gentleman from Tennessee [Mr. DAVIS] tells us and gives us the figures that it will aggregate \$75,000,000 or more. Senator FLETCHER gives us figures showing it will aggregate \$100,000,000. The Journal of Commerce supports the figures of Senator FLETCHER. When they set all of these milking machines a going it will be remarkable if they could not squeeze \$100,000,000 out of the United States Treasury. How are we going to defend that in conscience before our constituents? Our opponents will take the largest. One hundred million dollars; that is one-quarter of a million dollars to each congressional district. They will take a total for 10 years of \$500,000,000, \$750,000,000, or \$1,000,000,000. The last figure, divided up throughout the districts, amounts to a quarter million dollars per year for 10 years—\$2,000,000 at least. Are you going to vote this burden upon your constituents to make this assured subsidy of 12½ per cent? We will not call it a guaranty. It means a return of 12½ per cent and more of subsidy on invested capital. Ah, you can defend that, but I am not going to try to do it. Does that constitute equal rights for all? Is that special privilege for none?

But let me go on. There is another subject right there, and that is the contract authorized by this bill—a contract! That is a joker! A contract? It is put in contract form, but that contract means that you are going to lose the right to vote on this subsidy proposition again. By Shipping Board contracts we shall be bound for 10 years to furnish this assured return of subsidy of 12½ per cent to the shipping interests out of the taxes paid by our constituents. That is what it means. Where is the consideration for this contract?

The nominal consideration is rhetoric—the flag! and an imaginary merchant marine! But what is the real consideration? There is no consideration at all. History and human nature have shown that a merchant marine can not be established by pumping millions into it for a term of years. It will be artificial. A merchant marine, so the experts say, must be established according to the principles of human nature, through business ability, prudence, wisdom, and in accordance with economic and geographical principles and conditions. Subsidies, except in the case of Japan, have never produced a merchant marine. Again, what consideration is left? None at all. Will you have any guaranty of reasonable rates? What will you have? What is the consideration? Nothing but language, rhetoric. That is all. The contract is there in the bill, and it is there for a purpose. It is a joker. With contracts authorized by law the shipowners can snap their fingers at the public for 10 years.

Let us now get to another thing that is very interesting. The distinguished chairman of this committee, Mr. GREENE of Massachusetts, said that the great business interests are for this bill. Certainly. But we do not want classes or costs in our country; we do not want a house divided against itself. Let me tell you something. This bill is loaded full to the brim with special-interest legislation. I took the pains to look up the formative stages of this subsidy bill. The National Manufacturers' Association met in New York at their last convention, and their merchant marine committee came out for ship subsidy. We thought that we had buried this subsidy seed, alien to American soil, but we find that it is like that of wild oats and stinkweed. It must be kept under all the time or it will grow. We thought that we had buried it forever, but they brought it to the surface and watered it.

The shipowners saw their opportunity. They had a committee appointed of shipowners, ship operators, and shipbuilders to prepare their demands. These were submitted to the Shipping Board. You can find all this in the Wall Street Journal and the Journal of Commerce. These publications kept close tab on this thing and reported developments right along. The propaganda was soon on to line up big business for this legislation, containing all the demands of the joint shipping interests.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield? Mr. J. M. NELSON. Not now. Let me get on. I get diverted. Then there began a widespread propaganda. The Merchant Marine Association became active, and especially Mr. Marvin, vice president and manager of great steamship lines, together with the Shipping Board, lined up the interests solidly. The propagandists got busy before this committee and in the press, as the gentleman from Massachusetts [Mr. GREENE] has told you. They did get 165 chambers of commerce to in-

dorse his bill. Of course, it is only a perfunctory indorsement. They got the packers, the millers, and the National Manufacturers' Association. Five per cent—5 per cent tax exemption to them in this bill. They have organized the special interests—railroads, trusts, and all.

But on the other hand, where are the masses of the American people? Think about them. Think of labor. Labor, so far as it can speak, has spoken. It has made its voice articulate. The sailors' union was before this committee to protest. Some labor representative, a Mr. Wallace, the chairman says, testified that he would like to see our trade carried in British bottoms. Let me tell you the truth about that. I presume the argument of this witness was something like this: That rather than try to build up an artificial thing, England being naturally a shipping nation, we might well use her large shipping facilities rather than throw our money away.

The Nation describes this bill as "shoveling money into the sea." The Bankers' Magazine thinks it is much like "pouring money into a sieve." So, rather than do that, why not get it done more cheaply, even if it be necessary to send it in British bottoms? But it is dreadful, they say, to say such an unpatriotic thing. Listen to this, gentlemen. Here is some more of that kind of language:

England performs her function as a public carrier so satisfactorily that it has not been, and it is not now, worth the while of any other nation to compete with her.

Who said that? Theodore Roosevelt. Among the clippings on a table in the Library of Congress I found this citation. It is common sense. Roosevelt said it, and other people are saying it. Are people who say this pro-British? Bosh! I am not pro-British. The subsidists said years ago when we defeated them that we were pro-German; now we are pro-British. I am an American. I am neither pro-German nor pro-British. I am pleading against a foreign policy.

Labor has denounced this bill. The Federation of Labor has denounced it. The organized railway brotherhoods are against it, as the gentleman from Ohio [Mr. COOPER] knows. They do not like the Esch-Cummins Act and its guaranty. They do not like this any better.

How about the farmer? Oh, the farmer has made himself very clear on this question. Have you read the election returns? Did you see the men elected who ran on antiship subsidy platforms? I ran on one. It was a platform denouncing this bill, and I won overwhelmingly. Those who did favor it went down to defeat. Have you noticed the fatalities? Thirty-five per cent of the vacancies on the Republican side of this Merchant Marine Committee! They prepared this bill; I presume they told their constituents all about their arduous labors for a subsidized merchant marine. Five out of fourteen defeated.

Ah, friends, the farmers of the West and the East, the North and the South have heard of this bill. The chairman mentioned Mr. Howard, of the Farm Bureau Federation. Look up the record. He said his bureau was against subsidy on principle. His approval was most perfunctory; his organization in Iowa voted 37 to 1 against subsidy. All the other farm organizations are against it. The National Grange, very conservative, is unanimous; always has been against subsidy. The Farmers' National Council has come out against this bill. Pressure was brought on the Board of Farm Organizations to get them the other way. The National Council denounced it in vigorous terms. Every farm paper except one in Oregon—

Mr. KEARNS. The gentleman says "farm bureau." What does he mean?

Mr. J. M. NELSON. Mr. Howard is reported—

Mr. KEARNS. But the gentleman does not say that Mr. Howard is the farm bureau.

Mr. J. M. NELSON. He is at the head of it.

Mr. KEARNS. There are millions of men and women who belong to it.

Mr. J. M. NELSON. The gentleman is right. Every farm paper save one in Oregon—and, mind you, a paper owned and published by the Secretary of Agriculture, who is not himself responsible now for its editorials—has denounced this proposition through the pen of the Secretary's son. So far as the farmers can make themselves felt they are against this thing unanimously.

Mr. CLARKE of New York. There is an exception of one farmer.

Mr. J. M. NELSON. I say here is the line-up. We vote either with the big interests or with the masses of the people. We choose to-day with whom we will go, and they will hold us to account. Whose will we do their servants we are.

Now, then, I come to another point. Gentlemen, look at the matter of competition. What is the purpose of this bill? It is

to eliminate competition. How? Directly by getting the United States out of competition with the shipowners. That is the specific thing in the bill. Australia found it necessary to buy State ships to protect herself recently.

Say we eliminate competition. What happens? The nearer we establish monopoly on the sea. Gentlemen, these shipowners are organized now. They appeared before the committee as associations. They presented demands through shipping men who say they speak "for the entire merchant marine." They not only have their organizations but they do not trespass on each other's territory. It is easy to have institutes and all that. It means the elimination of competition—

Mr. SNYDER. Will the gentleman yield for one question?

Mr. J. M. NELSON. If the gentleman will pardon me, I decline to yield.

Mr. SNYDER. I would like to know what—

Mr. J. M. NELSON. Oh, ship-subsidy champions boast they want control of the seas so far as American shipping is concerned. They paint a glorious picture of the American flag waving over a merchant marine that has eliminated foreign competition. Are you going to vote a subsidy to give our shipping interests a world monopoly?

If so, I come to another thing, freight rates and passenger fares. They are very reasonable now; they have come down. There is no reason why we can not ship now if we only had the goods to ship and Europe the money with which to buy. The rates, as I say, are down. But when we eliminate competition, what must happen? The rates will go up for American wheat and other products of the farm shipped abroad and the people pay the freight bills in the end. First a tax for subsidy and then a raise in rates. That may be in accordance with your opinion of what is right, but not mine. I think it is suicide to go home and defend that. Rates and passenger fares, as I said, are low now. Can you defend laying a tax upon your constituents to increase sea freight rates and passenger fares to shipowners after this bill has become a law? What will prevent it?

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. J. M. NELSON. I will.

Mr. GRAHAM of Illinois. This is in good faith. If we are in competition with other maritime nations and their fleets, how can our rates rise above the rates of the other nations which are on the high seas?

Mr. J. M. NELSON. Our rates have gone down by the competition of the Government. When you take the Government out they will go up.

Mr. GRAHAM of Illinois. If medium profitable rates are charged by other maritime nations on their ships, how can we raise the rates above that?

Mr. DAVIS of Tennessee. Will the gentleman yield for a question?

Mr. GRAHAM of Illinois. That has bothered me a great deal.

Mr. J. M. NELSON. The gentleman is a fair-minded man; look it up.

Mr. GRAHAM of Illinois. But will not competition keep it down?

Mr. J. M. NELSON. But we are going to eliminate competition.

Mr. GRAHAM of Illinois. We are meeting the rates of the foreign ships.

Mr. J. M. NELSON. The plan is to put the foreigners out of business by special favors and privileges to our shipowners and harsh requirements placed upon foreign competitors.

Again, my friends, tax exemption. Ah, gentlemen of the committee, it is a bonanza! This is from the committee's own report:

Foreign-flag ships are, of course, most anxious to carry our goods to market in ordinary times, and to collect and retain and carry abroad the fabulous amount involved in international carrying trade.

Senator RANDELL, the chairman of the Merchant Marine Association, says in a speech I have here that carrying our trade with Europe by sea amounts to "more than a billion dollars." This is the Senator's language:

Occasionally, too, there is a real American with a real dread of retaliation, but he has seen only one side of the picture, and that is the side painted for his benefit by foreign interests and foreign connections. To such I say, remember that an increased share of our own trade for our own ships means for foreigners a decreased share of the more than a billion dollars spent annually for the sea carriage of American exports and imports.

Taxable income from exports and imports, a billion dollars a year! All earnings exempt from taxes. No tax on this billion-dollar trade! And not only that, but the shippers, the members of the Manufacturers' Association, and the big com-

binations are to have a 5 per cent share in this exemption privilege! Oh, it is beautifully arranged for shipowners and shippers, but when we go home to our constituents, how will we defend this tax-exemption feature of this subsidy bill? A total exemption of \$1,000,000,000 on shipowners' income in the foreign trade and 5 per cent for shippers!

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. J. M. NELSON. I regret I can not yield. Will the gentleman yield me time?

Mr. EDMONDS. I have not heretofore used any of the time I have yielded to you.

Mr. J. M. NELSON. The gentleman will get all the time he needs and no doubt make a very interesting speech very soon. Let me go on.

What are gentlemen saying about this tax-exemption business in their speeches? That it is an evil, that it is wrong to exempt any class or person. Constitutional amendments are offered to end this evil. Even the Secretary of the Treasury declares against it. And here comes a bill exempting a possible billion dollars to shipowners; and these 6,000 manufacturers have fixed up a nice scheme so some of them will also save \$10,000,000 or more in taxes. We are to defend this thing before the bar of conscience and to our constituents. I think not.

Oh, not only that, gentlemen, but they have gotten up another dainty special privilege for these gentlemen. They are to have credit. Credit is a mighty important thing out West. They have a beautiful provision in this bill—\$125,000,000 revolving fund to furnish credit for these shipowners at 2 per cent, to allow them to borrow up to two-thirds of the value of a ship and 15 years' time; a revolving fund for these gentlemen. Is it necessary? No. Who said so? Thomas W. Lamont, of J. Pierpont Morgan & Co. In the Bankers' Magazine recently I read an article of his respecting foreign loans. He says among other things:

American investors are to-day making loans on a considerable scale to European and other foreign railroads, industrial corporations, and governments.

In reply to the idea that credit is thereby withdrawn from commercial channels in America, he says: "Possibly there might be some ground for such a theory if we were in a period of tight money. But we are not. Owing to the let-up in business and, therefore, in the demand for temporary or seasonal borrowing, our surplus reserves are very great. This country holds to-day 60 per cent of the entire world supply of gold. Based on this holding our Federal reserve banks could to-day extend fresh credits to the amount of \$3,750,000,000 without falling below an average reserve ratio of 40 per cent. In other words, there is ample credit in our money markets to-day for every commercial enterprise that is legitimately entitled to it."

The logic is self-evident. If these shipping interests come under the head of a legitimate commercial enterprise, there is ample credit in our money markets to-day, but if they are not a legitimate commercial enterprise, why should Uncle Sam subsidize them with a special \$125,000,000 revolving loan fund at 2 per cent? You may be able to defend that in your districts, but I could not before my constituents.

Appropriations! Of course this is some melon patch. So a part of this Garden of Eden is a provision for permanent appropriations for 10 years. Uncle Joe, you, of all here, know the unwisdom of making permanent appropriations. I have heard members like yourself, long chairman of the Committee on Appropriations, say it is a dangerous practice. But we are to make this legislative departure from prudent and patriotic practice now.

The special rule that was adopted for this purpose made it in order to vote permanent appropriations for 10 years. But why permanent appropriations? Otherwise it would have gone out on a point of order, because shipowners know the people will never stand for this subsidy legislation. They know that as soon as the people get a whack at this thing they will smash it. To safeguard the subsidy against the people they provide a permanent appropriation for 10 years. The people's Representatives, who are on guard to protect the people's purse, trustees of an express trust, are no longer to pass annually upon appropriations for subsidy. It is all carefully put out of our power to change these contracts—contracts and permanent appropriations for 10 years. It is a beautiful bill!

Now, gentlemen, another feature of this measure: Do you believe in building up an autocratic bureaucracy? Show me another branch of the Government with such autocratic power. And what is there about these gentlemen that they should be trusted above the President and the Supreme Court? They can do about as they please in the sale of ships. They can do as they please about the \$125,000,000 revolving fund. They can

change the subsidy. They can allow 100 per cent. In the last revision of this bill, after severe criticism, the Shipping Board is required to make a report. But this is the most autocratic bureau I have ever seen created by law, and we are now to put into their hands the largest subsidy ever granted to shipping interests in this country or in the world. The subsidy provision of this bill aggregates more than all the subsidies in the world before the war, and likely 50 to 100 per cent above that sum. A member of the Shipping Board gives the world total before the war as only \$35,535,199. This is a tremendous trust when you look into it. Who are the Shipping Board?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. J. M. NELSON. May I have 10 minutes more to finish?

Mr. BANKHEAD. I yield to the gentleman 10 additional minutes.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 10 additional minutes.

Mr. J. M. NELSON. Gentlemen, you give the president of this board and its members very great powers—greater than should be given to any one in time of peace, not even to the President himself. This is, or should be, a government of laws, not persons; of regulations and not whims. Let me point out one man on this Shipping Board, you can look up his name for yourselves, who has been very active for this subsidy propaganda. I found his articles in the magazines and I found his speeches in the newspapers. So I looked him up. The Wall Street Journal tells of his obtaining legislation for an Atlantic line years ago. I looked him up in Who's Who. There he says himself that he acted as attorney for certain associated shipping interests 21 years. This lobbyist and attorney of the ship-owners is one of the members of this board. How can he divest himself of his atmosphere, environment, viewpoint, so as to act impartially with all these powers and special privileges in his hand?

Gentlemen, are you going to vote for such a bureaucracy to dispense such immense sums? Has this board and its predecessors by its extravagance, waste, and bad management given you such confidence in its judgment and ability? How can you defend such autocratic powers before your constituents? I am not going to attempt it before mine.

Now, just one or two more points of interest. Clemenceau is here. He is appealing to us for France. We have heard the wail from all Europe, the cry, "We are staggering, we are bankrupt, we are going down. You are rich. Help us." It is the Macedonian cry, "Come over and help us." The big bankers have said to us, "Oh, cancel the debt; cancel the debt." We say, and I think correctly, "We can not cancel the debt. We can not give up the \$11,000,000,000 that you owe us. Look at this shipping wreck. Look at the sacrifices we have made. Look at these other things the war left us—pensions, and doubtless a bonus. We have our own debt of \$26,000,000,000. We are ground down with taxes. You must pay. We will give you time, but you must pay."

Then they say, "You have the gold." Yes; we have the gold. "Then, let us send the goods." "No; we will not have your goods." So we put up a high-tariff wall. Then they say, "In heaven's name, let us carry a part of your sea traffic! Give us a chance to do something to enable us to pay you." We say, "No; we are going to carry the traffic ourselves," and we strike them a solar plexus blow by creating a subsidized merchant marine, the largest the world has ever seen. We put them off the ocean. Ah, gentlemen, there is such a thing as American pride and patriotism, but let it not be expressive of cold-blooded greed and heartless inhumanity.

Gentlemen, there is such a thing as retaliation. They are already saying, "You are playing with loaded dice. The world has now free ports and equal shipping rights, but you Americans are about to substitute discrimination and favoritism. You are doing it deliberately, because you have the power. You avow your purpose to drive us out of your ports. We are weak now. We are bending under war burdens. But if we must resort to the lex talionis, an eye for an eye and a tooth for a tooth, we can and will strike back."

Shall this be our answer to Europe's appeal to us in her great distress? Shall we strike her shipping a body blow? How are they to pay their debts to us? In God's name, how are they to pay?

Mr. Chairman, there was a time years ago when the flag of our country was beloved of all the world, when it was the beautiful emblem of liberty and love. Shall we make it a thing for nations to hiss their hatred at all over the world? Oh, let us still play the part of the big brother, not the big bully, of the world. [Applause.] Fellow Republicans, the leaders would destroy our good old party. I beg you, take to the lifeboats. Take to the planks! [Applause.]

The CHAIRMAN. The gentleman from Wisconsin yields back three minutes.

Mr. GREENE of Massachusetts. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. EDMONDS]. [Applause.]

Mr. EDMONDS. Mr. Chairman and gentlemen of the House, before going into a description of the bill and what it is proposed by the committee to do to take care of our ships, I would like to state that the committee have never felt that the authorities used by the gentleman from Wisconsin [Mr. J. M. NELSON], the Wall Street Journal, or the Nation, that he so freely quotes, were any friends to the American merchant marine, but we know that always in every way they have represented the view of the people and the shippers on the other side of the water. [Applause.] I do not believe a member of the British Parliament could have come before the House of Representatives and made a better argument for the destruction of the American merchant marine than has been made by the gentleman from Wisconsin [Mr. J. M. NELSON].

With these few remarks, I want to take up in a sensible manner what it is proposed to do in this bill. There may be sections that are not satisfactory to the House. You have your opportunity next week to take them out or change them when the bill is considered for amendment. We, in our judgment, have tried to produce for the House a rounded bill that we knew, if put into effect, would restore the American merchant marine to the seas, so that our merchants who do business in foreign countries would not be ashamed of their home country or have to utilize the ships of foreign nations to carry their goods back and forth.

Gentlemen, I was in Yokohama when the *Mongolia* left there, and with the resident Americans stood on the wharf and cried. It was then said that the Pacific Mail was going out of business; that it was the last trip of the *Mongolia*. Our compatriots, the men who are building up the business of this country in foreign ports, stood on the pier and cried as that ship left the harbor, and I did too. Is it the intention of the House of Representatives to take into consideration any other thing than to build up the American merchant marine? We have only two things before us. Are you in favor of Government ownership and operation such as you have had, and such as you will have in the future if you have Government ownership and operation, or are you willing to consider some method of placing these ships into private hands and operating them?

The shipping business is not the same as any other business. The other ship has the trade, and until you get the trade you have idle ships the same as England did when it took the trade from Spain, and the same as any other nation that takes the trade away from any other nation has had to do. Now, with these few words I will describe the bill. If gentlemen have the bill I will ask them to follow me, and I am ready to answer any questions that may be asked. The first section of the bill amends section 5 of the merchant marine act of 1920. The principal change is in connection with the matter of the sale of vessels and the interest to be paid on the unpaid purchase money. The interest rate was not fixed in the original shipping bill and we have set it at 4 per cent. The interest rate is on the unpaid balance. If a man buys a ship and pays 20 or 40 per cent, he pays interest at the rate of 4 per cent on the balance.

Mr. EVANS. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. EVANS. Will the gentleman state why you fix the interest rate at less than the Government can borrow money for?

Mr. EDMONDS. If gentlemen want to, they can change it, but it was the judgment of the committee that that was the right rate. We have made the bill perfectly open, freely open to amendment, so that you gentlemen can register your decision on the subject.

We have done one thing more in this section. We have arranged that the competitive bids may be set aside by the Shipping Board, but only on an agreement of five out of the seven members. The reason that was done was this: Frequently a man will come in and want a ship immediately. He will buy the ship, and the board says under the act we have to advertise, and we have lost a number of sales of that kind. If the prevailing market rate is received for the ship, I can see no objection to dropping the bids and letting them have the ship at the market rate.

Section 2 amends section 7 of the merchant marine act of 1920. It appears that a number of the different cities, particularly those along the Gulf coast, have been establishing lines, endeavoring to build up these lines on a profitable basis, and they think the experiment has not had a sufficient length of time to be proven. They have asked us to extend the time. At first they wanted five years. We felt that we wanted to get

rid of the fleet before the end of five years, and at last they agreed to extend it for two years. That gives the Shipping Board the privilege of continuing the service for two years, and I have no doubt that if Congress wants to change it two years from now they can do it.

There have been a number of rumors at the time we were drawing the bill that there would be established two big corporations, one on the Atlantic coast and one on the Pacific coast. There are now 72 different corporations in the ocean carrying trade of this country. These two big corporations were to handle all the business. So we have put in a section, as follows:

It is hereby declared to be the policy of Congress to discourage monopoly in the American merchant marine, and, in pursuance of this policy, the board is directed, in the development of its sales policy, to continue as far as possible and practicable, subject to the provisions of this section, all existing steamship routes and regular services, and to endeavor in every way to bring about the permanent establishment of such routes and services, and their retention, as far as possible, in the hands of persons having the support, financial and otherwise, of the domestic communities primarily interested in such routes and services. In carrying out the provisions of this section the board is directed to investigate fully all matters in connection therewith, and to conduct hearings at which the persons interested in such communities may have the opportunity to express their views as to the course to be pursued by the board and the methods to be adopted in carrying out the policy herein prescribed.

Not that we have had any absolute information as to the formation of these big corporations talked about in the newspapers and around the House.

Mr. LONDON. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. LONDON. What is the proportion of privately owned tonnage to the amount of tonnage operated by the Government?

Mr. EDMONDS. I have not the figures, but I will get them and put them in the Record. I think that the Government owns about 75 per cent and private owners 25 per cent.

Section 3 of the act makes the insurance sections of the Jones Act of 1920 operative. It appears that in drawing the act of 1920 there was a question raised as to the Government taking care of the equities in the marine insurance fund. They have been carrying on that business, but they would like to have it changed so as to make it authorized by Congress. Now, the new section of the bill, section 10, provides that wherever they find that the foreign insurance rate is more than the rate in this country they can also insure the balance of the equity in that ship. We found that in order to break down the American syndicate that had been formed under the Jones Act the year before last the foreign insurance folks were making special rates in order to attract insurance to the other side. They were taking it so far below that insurers complained. Now we cut out all commissions and bother of that kind, and when a ship is insured, if the man finds that he can get cheaper insurance on the other side, we keep the insurance in this country—not in the broad spirit spoken of by the gentleman from Wisconsin.

Section 5 of the new bill provides for the payment of the \$125,000,000 fund. The Shipping Board has to-day the authority to set aside out of the sales \$25,000,000 a year, and that authority is given them for five years. That is \$125,000,000. But owing to the fact that we thought that a great many people after the bill was passed would come in and ask us for certain types of ships that we had not, we expected a greater rush at the beginning of the operation of this bill than we did at some other time during its operation.

We have set aside \$125,000,000, but, mark you, not out of the Treasury of the United States, not out of the profits of the operations of the Shipping Board, not out of the appropriations you will make annually, but they have to sell ships or other property for \$125,000,000 to get that money before they can loan it. What do we do with that money? We say to them, "You can loan two-thirds the value of a ship at 2 per cent." Why? Because in Italy they are giving a shipbuilding subsidy to the shipyards, to the constructing yards, and in Japan they are giving construction subsidies, and in France they are following the old policy of construction subsidies. We thought that in all probability if we could reduce the overhead in the ship to a little over 3 per cent by giving these men on two-thirds of its value money at 2 per cent and letting them pay 6 per cent on the balance we would make it attractive for them to build these types of ships that are at present very much needed to round out this fleet.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. GRAHAM of Illinois. The gentleman speaks of what they are doing in Japan and England on construction subsidies. Does he know of any cases where the nations are paying construction subsidies and also operating subsidies?

Mr. EDMONDS. Oh, yes.

Mr. GRAHAM of Illinois. Is that where there is a mail subvention? Do you know of any such case?

Mr. EDMONDS. Oh, yes. Japan pays a navigation bounty and a mail subvention, both.

Mr. GRAHAM of Illinois. That is, a construction bounty and a subvention for carrying the mails?

Mr. EDMONDS. It gives a construction, a navigation, and a mail bounty—all three.

Mr. J. M. NELSON. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. J. M. NELSON. Is it not true that we have now something like 1,500 ships of our own?

Mr. EDMONDS. About 1,400 and some odd.

Mr. J. M. NELSON. Then why create a revolving fund to build more ships?

Mr. EDMONDS. Because we need certain types of ships to round out a fleet.

Mr. J. M. NELSON. Have not we about three or four hundred now that are available?

Mr. EDMONDS. Let me explain that to the gentleman, because we might as well know all about it now as at any time. We have a large number of cargo boats, a very few passenger boats, and we have a certain tonnage of oil tankers, but no refrigerator boats that I know of. If we have, they are very few. We should have refrigerator boats. We will take the position of a shipper. Suppose a man forms a shipping company and he comes down to the Shipping Board and says to them that he is going to haul meat from Argentina or to carry meat products out of this country, and that he needs refrigerator boats and also needs a certain number of tankers to carry oil, because he will use oil-burning boats, and that he wants so many cargo boats and so many passenger boats, or so many part passenger and part cargo boats. Now, if the Shipping Board has not them to give to this man he can only purchase a part of his fleet from the Shipping Board and he has to go somewhere else for the balance of the fleet which he contemplates using in the trade he is going to enter.

Mr. J. M. NELSON. This bill, as I understand it, is built on two theories—to get rid of the ships on the one hand and to build up a permanent foreign trade on the other. The primary thing, however, is to get rid of these ships and of the deficit. Are we not building up a revolving fund with which to construct more ships in competition with our present ships? How are we going to sell them?

Mr. EDMONDS. No. None of these ships will be built by the Shipping Board to compete with their own ships. These ships will be built by private parties and we will take a mortgage on the ships for two-thirds of their value.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. BLANTON. The gentleman from Nebraska [Mr. EVANS], I thought, asked a pertinent question. The gentleman from Pennsylvania says that we are to create this \$125,000,000 revolving fund and loan it at 2 per cent. The gentleman knows that the Government now faces a deficit of \$700,000,000, and if we were to place the \$125,000,000 back into the Treasury, we would have to borrow just that much less, and the amount we are borrowing we are paying about 4½ per cent and more for. Is not that an extra subsidy?

Mr. EDMONDS. I think the last loan was at 4 per cent or 4½ per cent.

Mr. BLANTON. It runs up to 4½ per cent. Does not the gentleman think that that is an extra subsidy that we are offering the shipping interests of the country?

Mr. EDMONDS. This is not a subsidy at all, it is simply a construction fund.

Mr. BLANTON. It is just a gift, as the gentleman says.

Mr. EDMONDS. Oh, no; it is not even a gift, and the gentleman from Tennessee [Mr. DAVIS], who is prompting the gentleman, knows that it is not.

Mr. DAVIS of Tennessee. I know that it is, and so does the gentleman from Pennsylvania.

Mr. EDMONDS. The difference in the rate of interest is a gift; yes.

Mr. DAVIS of Tennessee. That is what I am talking about.

Mr. EDMONDS. I thought the gentleman meant that the fund was a gift.

Mr. BLANTON. I am talking about the difference in the rate of interest.

Mr. EDMONDS. Did I not say it would make his interest rate a little over 3 per cent and cut down his overhead by that?

Mr. BLANTON. That is an extra subsidy.

Mr. EDMONDS. Yes. I say frankly that we have left it open for you to decide whether you want to leave it at 2 per cent or not. We think that is good judgment. We do not pretend to be infallible.

Mr. STEVENSON. The gentleman is speaking of having these boats constructed and loaning money to construct them in order that they may go into competition in the world markets. Is there anything in the bill which will change the provision in the tariff act which provides that where a ship-builder constructs a ship with imported materials and sells it to a foreigner he can get a rebate of all the tariff he paid on the materials, whereas if he sells it to one of our own people, who is going to operate it under the flag of the United States, he does not get the rebate? Is there anything to correct that in this instance?

Mr. EDMONDS. No.

Mr. STEVENSON. In other words, are we going to still prefer the foreign purchaser to the extent of the tariff on materials or, when we begin to loan money to build ships for America, are we going to give the American an even deal with the other fellow?

Mr. EDMONDS. I do not think there is anything in this bill that covers that subject.

Mr. JONES of Texas. The gentleman says that this is not a subsidy except so far as the difference in the rate of interest is concerned. It authorizes a loan of two-thirds of the cost of the ship which is constructed?

Mr. EDMONDS. Yes.

Mr. JONES of Texas. Does not the gentleman think that our experience shows that a ship is not good security for two-thirds of its cost?

Mr. EDMONDS. Oh, the gentleman knows that it is not fair to take the cost of the ships during the war and compare it with what it costs to-day. To-day we are building ships within 25 per cent of what they are costing abroad.

Mr. JONES of Texas. We are not able to sell them for anything like two-thirds of the cost that it would take to replace them.

Mr. EDMONDS. I heard a quotation made on a cargo ship of \$65 a ton, and the man said he would not make any money on it, but he would take it in order to keep his organization together.

Mr. JONES of Texas. Does the gentleman think that a ship is good security?

Mr. EDMONDS. I do not think there is any question that in normal times a ship is good security.

Mr. JONES of Texas. I notice in connection with that provision the gentleman does not make the stipulation that any of the proceeds of the cargo of shipment shall be applied to the payment of their loan; so even if the ship was security at the time it was in operation, still it might not be security. There is no provision for cutting down the time of payment, or—

Mr. EDMONDS. The gentleman will notice that arrangements were made that the payments should be reduced gradually.

Mr. JONES of Texas. I did not catch that.

Mr. EDMONDS. The payments are to be made gradually.

Mr. DAVIS of Tennessee. On the loan fund?

Mr. EDMONDS. I think so.

Mr. DAVIS of Tennessee. I should like to see it. The gentleman is speaking of the sales provision.

Mr. EDMONDS. The gentleman is right.

Mr. JONES of Texas. Then there is no provision—

Mr. EDMONDS. But good business and good judgment would require a payment equal to 5 or 7 per cent a year.

Mr. JONES of Texas. Is there anything in the bill requiring the board to do it?

Mr. EDMONDS. No. But they are expected to get ample security.

Mr. JONES of Texas. So far as limitations in the bill are concerned, they could grant credit for a period of years, and then two-thirds of the value—

Mr. EDMONDS. Fifteen years is the limit.

Mr. JONES of Texas. And by that time the ship may be worn out.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. DAVIS of Tennessee. Is it not regarded by shipping experts that the average life of a ship is 20 years?

Mr. EDMONDS. Yes.

Mr. DAVIS of Tennessee. And that Homer Ferguson, a man very well qualified in shipping circles, says from 10 to 14 years was the useful life of a ship.

Mr. EDMONDS. Mr. Ferguson made that statement, I think, in connection with the ships built during the war.

Mr. DAVIS of Tennessee. No; he was speaking generally.

Mr. EDMONDS. I am frank to say that Mr. Bernard Baker told me personally—he is the man who helped to write the original ship legislation—he told me it was fair to contemplate that at the end of 20 years the expense of repairs on a ship were too great for the value of the ship at that time. Now, he says that ships may have lasted 30 years or may last 40 years or 50 years, and I saw an iron ship, not a steel ship, that lasted over 40 years. We have one running on the Pacific to-day 42 years old, an iron ship. He said in England they made it a custom of considering 20 years as the life of a ship.

Mr. DAVIS of Tennessee. I was talking about the average life of a ship.

Mr. FREAR. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. FREAR. What are we going to do with the 1,400 ships and how long a time will it take to dispose of them under this bill? What is the gentleman's estimate?

Mr. EDMONDS. I can not make any estimate.

Mr. FREAR. Has any estimate appeared in the hearings?

Mr. EDMONDS. It is expected in two or three years four or five hundred ships will be taken of the 1,400. There are about 7,500,000 tons of shipping considered as A No. 1. The rest are considered as second grade and will be sold to people who want to use them in the local coastwise business. I have a man in the coastwise business dickering for 10 to-day. They are not useful in the foreign trade but are useful in the coastwise trade, and they will be gradually disposed of.

Mr. FREAR. What will they do with those?

Mr. EDMONDS. If the ship is absolutely no good, there is no use in doing anything but scrapping it. I remember during the war the *Northern Pines* was sent to Europe. It was brought down to the Lakes and cut in half, enlarged, and rebuilt, and used in the European trade. The ship was so poor and the running expenses were so great that it was not considered worth while to bother with it any more, and it was, the last I heard, tied up in Danzig.

Mr. FREAR. That is part of the \$3,000,000,000 which the President mentioned in his address as lost to us.

Mr. EDMONDS. The loss is going to be enormous. Let me say something about that. The gentleman from Wisconsin spoke about the Gallinger-Hanna bill—if in 1906 they had passed a bill like this and they had spent \$50,000,000 a year in building up a merchant marine, you would not have lost two or three billions in 1917, when we went to war.

Mr. ROSE. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. ROSE. The gentleman from Wisconsin asked the gentleman a question about the revolving fund of \$125,000,000 for the purpose of constructing new ships. We have approximately 1,500 ships now lying at different docks. I thought it might be a good place to let the people know we are bound to lose a great deal of money because of the number of ships that under the law are at the docks now in the American merchant marine.

Mr. EDMONDS. And every day becoming worth less, because the ship is like an automobile—you put it in storage and when you bring it down you have to spend a great deal of money on it.

Mr. ROSE. I thought it well to let the people know that we are bound to face a great loss, whether this bill passes or not.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. FAIRFIELD. Would the gentleman be in a position to state what is the actual estimate of value of the fleet to-day at present prices?

Mr. EDMONDS. This is my own estimate, understand, from watching the sales of shipping. I have been watching the sales for the last year. I should say that the 7,500,000 tons of ships, including our fine passenger ships, of which you see representations displayed out here in the hall, are worth \$200,000,000.

Mr. FAIRFIELD. As against \$3,000,000,000 as the total cost in all?

Mr. EDMONDS. Yes. But what is the use in going back to make trouble? If I had wanted heretofore to make trouble in this House for the Shipping Boards of the past and their satellites, I could have done it, but I have always considered the fact that the shipping business was a business and not a political football. I have tried to be fair. The gentleman from Alabama knows that I have had information in my desk that I could have brought out at any time, but, considering the war troubles and everything else, I said to myself, "No; we are bound to make these losses." Every day rumors were going about while we were building the fleet, but I thought we should not go out and discourage the people by saying anything about

it. I have information that I think is good, although it may not be true, and Mr. Hurley knew I had it, and Mr. Payne knew I had it; but I did not divulge it, and we did the best we could to correct the condition. We found only the other day that a shipping firm had made a claim against the Shipping Board of \$8,000,000, but I understand they gave them a hotel in the neighborhood and settled with them for \$560,000, or something like that.

Mr. FAIRFIELD. Not to provoke acrimonious discussion, but I think it is fair for the people of the country to know that while we are not criticizing the building of these ships under the stress of circumstances we have actually a fleet now that is not worth anything near \$500,000,000.

Mr. EDMONDS. I have figured that perhaps we might get from \$350,000,000 to \$400,000,000 out of the wreck.

Mr. CHANDLER of New York. Mr. Chairman, will the gentleman yield at that point?

Mr. EDMONDS. Yes.

Mr. CHANDLER of New York. Is that by the sale of the ships?

Mr. EDMONDS. Oh, no. If you put them up at cash sale you could not get anything. You could not get a bid on them. When we put up the wooden ships one man bid a dollar for the lot. [Laughter.]

Mr. CHANDLER of New York. Suppose as a business matter that we can not operate these ships ourselves without a subsidy and can not sell them. It is an old maxim of Rothschild's that the first loss is the best. Is it not best to make the loss at first rather than at the end of a series of years? As a business proposition is not the first loss the best?

Mr. EDMONDS. Yes. I am very glad the President made the statement that he made, that you can be either obstructive, destructive, or constructive. You have to do one of those three things.

Mr. J. M. NELSON. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. J. M. NELSON. When you make that estimate do you calculate the value of the ships now, before the subsidy is provided, or after the subsidy has started?

Mr. EDMONDS. I have not attempted to think of any figures after the subsidy has started.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. EDMONDS. Can the gentleman from Massachusetts give me another half hour?

Mr. GREENE of Massachusetts. Yes. I yield to the gentleman 30 minutes more.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 30 minutes more.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. WATSON. Probably within two or three years the Government will sell two or three hundred of the ships. It is officially stated that the 338 ships now under the control of the Government are operated at an expense of \$50,000,000 a year. Should these same ships be transferred to private ownership, it will cost the Government less than they now cost, when they are operated by the Government?

Mr. EDMONDS. It is admitted that the operation of 7,500,000 tons of ships will cost us about \$15,000,000 a year under the subsidy. We are operating to-day between 3,000,000 and 4,000,000 tons of ships at a loss of from \$40,000,000 to \$50,000,000 a year.

Mr. WATSON. Then we will save the difference between \$15,000,000 and \$50,000,000 from the operations of the ships as now?

Mr. EDMONDS. Yes; but wait. I do not want to deceive the House and I do not want to tell Members of the House anything that is not so.

Mr. WATSON. I followed the figures as stated by Mr. Lasker.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. In a moment. No; I am wrong. It will cost the present ships we are operating about \$15,000,000 a year in the way of subsidies, but if we put \$30,000,000 into subsidy we will be able to operate about 7,500,000 tons.

Mr. WATSON. How many ships would that represent?

Mr. EDMONDS. I should imagine about 750.

Mr. WATSON. Then we can operate about 750 at the same amount of loss that we are now making by Government operation?

Mr. EDMONDS. We would operate about twice as many ships under the subsidy act as we are operating to-day under the profit-and-loss plan.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. OLIVER. You have just stated that for the operation of the tonnage that we are now operating we would be required to pay under this bill about \$15,000,000 in subsidies. What amount do you estimate is the annual loss of the operation under the present tonnage, under the present system?

Mr. EDMONDS. As near as I can estimate, the total operating loss to-day—and I have no figures excepting those that have been given to you—is in the neighborhood of \$3,000,000 a month.

Mr. OLIVER. In other words, to operate the tonnage now built and which are being operated costs us annually \$36,000,000, and \$14,000,000, the difference between \$36,000,000 and \$50,000,000, represents alone the expense incident to the expense and upkeep of the ships that are laid up and not operated. I want you to segregate the cost.

Mr. EDMONDS. The gentleman from Tennessee [Mr. DAVIS] can best answer that.

Mr. DAVIS of Tennessee. I will say to the gentleman from Pennsylvania that the appropriation for the current fiscal year over average loss is \$5,497,000, and it has been running this year as a whole on about that basis. But the last month that it was reported there was no voyage loss at all. The balance of the \$50,000,000 appropriation is carried in administrative and other expenses.

Mr. EDMONDS. Of course, something has got to be charged to administrative expenses.

Mr. DAVIS of Tennessee. They have over 8,000 employees.

Mr. EDMONDS. Something has got to be charged to administrative and overhead expenses. The gentleman knows that as well as I do.

Mr. DAVIS of Tennessee. There is a great deal too much being spent there.

Mr. EDMONDS. That is possibly so. I think the President's statement that there is probably \$30,000,000 loss is probably a fair statement.

Mr. CHANDLER of New York. Will the gentleman yield?

Mr. EDMONDS. I yield to the gentleman from New York.

Mr. CHANDLER of New York. Will the gentleman venture an opinion on the question as to whether this subsidy would have to be perpetual? Would there come a time in the history of commerce and the development of this merchant marine when it would be self-sustaining?

Mr. EDMONDS. In the history of all nations giving a subsidy to start their shipping off it has gradually become reduced to an almost negligible point. The history of England in this matter was first virtually a subsidy. To-day it is a mail subvention.

Mr. CHANDLER of New York. We know that the British can build ships more cheaply than we can. They have cheaper labor and cheaper material, and we pay our seamen higher wages than they pay theirs. Is there any possibility that in the next 50 years there will be such a change in that situation that we can compete with Great Britain? Is not this a perpetual subsidy that we have got to put up?

Mr. EDMONDS. I do not think so. I think you will find that Japan, after 20 years of high subsidy, is reducing her subsidies, and is able to retain her ships on the sea while doing so.

Mr. CHANDLER of New York. Is there any chance of our running the other commercial nations off the sea with our merchant marine? If so, I favor it.

Mr. EDMONDS. Answering the gentleman, I will say that I would be very proud if none but American ships flying the American flag were on the sea.

Mr. COUGHLIN. Will the gentleman yield for a question?

Mr. EDMONDS. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. On page 7, in section 5, in providing for the construction of new ships, there is a provision that the Government may loan two-thirds of the cost of construction. On page 2 there is a provision for the sale of the ships now owned by the Government, and there the provision is that the payment to be made shall equal the depreciation per year. Why is that provision omitted on page 7, in section 5, while it is included on page 2?

Mr. EDMONDS. I will say to the gentleman frankly that I do not really know, excepting this, that there is the possibility that a man who was starting out a new line of ships might want two or three years in which he did not have to repay the loan, in order to get himself established. I think it is just as well to leave that to the discretion of the board as it is to put in some kind of a cast-iron provision for repayment on the mortgage. Certainly the men who go on the board are going

to be responsible enough to see that they are not going to get into any difficulty by handing over to anybody a sum of money equal to two-thirds of the value of a ship.

Mr. COUGHLIN. Then, why is it provided on page 2 that in the case of the sale of ships payment will be made annually equal to the amount of depreciation?

Mr. EDMONDS. Because you are selling an older ship. You are not building a new ship, but you are selling an older ship, and the depreciation is greater every year than in the case of a new ship.

Mr. COUGHLIN. Would not the same principle apply, that the depreciation might be so great that the security for the loan would be less at the end of 15 years in either case?

Mr. EDMONDS. I do not think so.

Mr. BURTNESS. Will the gentleman yield for a question?

Mr. EDMONDS. I yield to the gentleman from North Dakota.

Mr. BURTNESS. I wish to ask in regard to the difference in the rate of interest charged on the ships that are sold and on the money loaned for the building of new ships, why is it 4 per cent in one case and 2 per cent in the other case? This thought occurred to me. We are very much interested in getting rid of the present ships that we have, and if we are to make it easy on anything, it ought to be on the sale of the ships that we own and that we want to get rid of. Why should not the rate of interest on the fund for the building of new ships be at least as high as it is upon the amount that is carried on the sale of the old ships?

Mr. EDMONDS. It was our judgment that this was the right way, and as I said before, if you want to change it, you can.

Mr. BURTNESS. What, in the gentleman's judgment, was the reason for that difference?

Mr. EDMONDS. I have tried to explain it in this way, that when we sell a man one of these ships that we have to-day, and he puts it into operation immediately, he probably has no overhead charge against it excepting his line charge. He can afford to pay 4 per cent; but when a man has to build a new ship, to make a new venture, and to invest perhaps \$30,000,000 or \$40,000,000 of his own money in building ships, he has got to have some little time to gather himself together, if he is going to compete with foreign ships. If a man's overhead is less, of course he is in a better position to compete.

Mr. BURTNESS. He must pay one-third of the cost in either case.

Mr. SNELL. Will the gentleman yield?

Mr. EDMONDS. I yield to the gentleman from New York.

Mr. SNELL. If a man bought a ship in operation, he would get a lot of business that went with the ship at the present time, would he not?

Mr. EDMONDS. Probably so. He might buy an established line.

Mr. SNELL. He would get the business going with the sale, the same as in any other established business.

Mr. EDMONDS. Yes.

Mr. SNELL. And he would have that advantage over a man who started a new enterprise.

Mr. EDMONDS. Yes.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. EDMONDS. I yield to the gentleman from Illinois.

Mr. GRAHAM of Illinois. I am afraid the gentleman is not going to reach it within his limited time, and that is why I am asking the question. I noticed some tables in the hearings giving the aggregate paid in the way of subventions to the other maritime nations in 1909.

Mr. EDMONDS. I saw that table.

Mr. GRAHAM of Illinois. I notice that it is about \$46,000,000. I can not find anything anywhere in the hearing to show what the subsidies of the other maritime nations were last year.

Mr. EDMONDS. We are trying to get that. It is almost impossible to get it. I will say this, that the Italian subsidy is greater now than it was in 1909.

The French subsidies were more than \$15,000,000. We could not get at the aggregate English subsidy because there are so many different subventions, as you call them. They have a general payment to the Cunard Line, and the Cunard Line gets something from somewhere else. The White Star Line runs to Montreal, and they get a subsidy or subvention from Canada. Canada has subventions as well as England. The Australian lines are running at a loss, and that is nothing but a subvention.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. GRAHAM of Illinois. Does the gentleman have any idea that before we get to the amending stage we will have that information?

Mr. J. M. NELSON. If the gentleman will permit me, a member of the Shipping Board states and you will find it in a clipping in the reference library which says that before the war the amount was \$35,000,000.

Mr. GRAHAM of Illinois. When, before the war?

Mr. J. M. NELSON. In 1912; and that is of all the ships of all the subsidies of the world.

Mr. GRAHAM of Illinois. If the other maritime nations pay \$45,000,000 annually in subventions, why does it seem to be necessary for us to pay in one year, we will say, to run our ships approximately that same amount? Why should we fix a rate that will aggregate all the other subsidies of the world?

Mr. EDMONDS. Because the shipping of this country has been cursed by legislation, bothered by the senior Senator from Wisconsin and also by navigation laws made up by patchwork in Congress.

Mr. GRAHAM of Illinois. Is that going to cost us \$40,000,000 a year?

Mr. EDMONDS. It will cost us \$600 or \$800 a month on every ship, if not \$1,000.

Mr. FAIRCHILD. Will the gentleman yield?

Mr. EDMONDS. Yes. I will yield to the gentleman and then I must decline to yield further.

Mr. FAIRCHILD. In reference to navigation laws, can the gentleman inform the House as to what, if anything, has been done toward extending the coastwise laws to include the Philippine Islands?

Mr. EDMONDS. No; I can not. The gentleman knows as much as I do about it. He probably has seen in the newspapers that the President is going to extend the coastwise laws, but I do not think he has done it yet.

Mr. FAIRCHILD. The question I want to ask is this: If the coastwise laws are extended or if the Shipping Board, in conformity with section 21 of the act of 1920, should provide shipping for the Philippine Islands, how much tonnage of the seven and a half millions can be used in that trade?

Mr. EDMONDS. The gentleman means in the Philippine Islands? That would be impossible to answer. Some years they have good crops and a good market, and some years it fails.

Mr. FAIRCHILD. Has the committee investigated that question as to what tonnage would be used in the Philippine trade if section 21 of the act of 1920 was in force?

Mr. EDMONDS. The probability is we would not have to use any more ships. The Philippines have their vessels.

Mr. FAIRCHILD. Why should not the proclamation be made? Why should not section 21 of the act of 1920 be put in force?

Mr. EDMONDS. Do not ask me; I do not know why it is not.

Mr. FAIRCHILD. I am asking the gentleman about the proclamation in compliance with the act.

Mr. EDMONDS. The President has not put it into effect. Now, gentlemen, section 20, in a few words, is the same as the section in the merchant marine act of 1920 put into workable shape.

The act of 1920 provided that a certain amount of the income tax could be set aside, providing it was used to build ships. The Treasury Department could not interpret the act, and they came and asked us to put the sections in here, if we could arrange it, carrying out what we had already agreed upon in the merchant marine act of 1920. But there has been added something to this which the gentleman from Wisconsin [Mr. J. M. NELSON] spoke about. We agreed to give the shipper 5 per cent deduction in the income tax on the freight of any shipment that he makes directly himself.

Mr. J. M. NELSON. Will the gentleman yield?

Mr. EDMONDS. No; I can not yield at the present time. I have been very liberal yielding and I have only a short time remaining.

Mr. J. M. NELSON. I recognize that the gentleman has been very liberal.

Mr. EDMONDS. I want to call attention to the fact that this payment of the 5 per cent is made to the shipper. If a farmer is the shipper, he gets it. If a broker comes in, he can not get it. It is intended to place this deduction in the hands of the shipper, and it is put in to take the place of the discriminatory duty that we tried to put through in section 34 in the Jones Act. Now, I am trying to tell you the truth about this bill. I am not trying to camouflage anything. I am telling you what is here and you are to have your opportunity to vote or correct it. We thought in committee it was the right way to do it, and we are putting it up to you.

Title 3, sections 301, 302, 303, and 304, arranges that 50 per cent of the immigration to this country must come in American ships. Why? Because Italy says no man shall leave Italy unless he sails in an Italian ship, and Spain says that no man shall leave Spain unless he sails in a Spanish ship. Are you going to let them put it over on you? Are you not going to see that you protect yourselves? Immigration sometimes is the profit of the ship. We are asking all these nations to let us carry 50 per cent of the immigration to this country.

Mr. RAKER. Will the gentleman yield?

Mr. EDMONDS. I yield because the gentleman is on the committee.

Mr. RAKER. The idea was in the committee that this provision violated about 32 treaties.

Mr. EDMONDS. I think that is right.

Mr. RAKER. It violates 32 treaties of foreign countries. Will the gentleman tell the House, that being true, why you did not put in that all the personal property that comes to this country should come in American ships instead of referring it only to the immigration question?

Mr. EDMONDS. Because there is no reason to do that. We do not need to retaliate because of freight, for they do not require that half or all of their freight shall be carried in Italian or Spanish ships, while they do require that all of the immigrants shall be.

Mr. RAKER. Does not the proposition work out like this—while this is not a retaliation against Italy or Spain, yet it is an entering wedge for the great ships to make a national issue and to bring more immigrants to this country, and therefore break down the immigration laws that we have at the present time?

Mr. EDMONDS. The gentleman may see it in that way. I can not see it in that way, although I have not studied the immigration question.

Mr. JOHNSON of Washington. The Congress of the United States still reserves to itself the right to restrict immigration as it sees best?

Mr. EDMONDS. Yes.

Mr. RAKER. Is it not a fact that this bill when it becomes operative takes from the control of Congress the question of legislation on immigration, and puts it all in the hands of the President for the purpose of determining that question with these 32 nations, and all the rest of them, by virtue of treaties?

Mr. JOHNSON of Washington. I think not.

Mr. RAKER. There is no doubt on earth when you read the provision and look into it that that is the purpose of this legislation.

Mr. JOHNSON of Washington. I shall try to explain that later, without now taking up any more of the time of the gentleman from Pennsylvania.

Mr. KNUTSON. Mr. Chairman, will the gentleman from Pennsylvania yield?

Mr. EDMONDS. I can not yield at this time. I am coming now to the question of compensation and the limit placed upon it. I wrote this limitation, and therefore I know what is intended by it. If, according to the statement of the gentleman from Wisconsin [Mr. J. M. NELSON], these ships will, according to the Secretary of the Interior or some one else in Great Britain, whatever his office is, earn 12½ per cent, I say, thank God for it, because we will get back 50 per cent of everything that they earn over 10 per cent.

Mr. J. M. NELSON. Have you provided that they shall not increase their salaries so high so that you will never get any of that money?

Mr. EDMONDS. Oh, yes; that is well taken care of, notwithstanding the statements in the newspapers and from other sources. We have so arranged it that they will have to take into consideration the profits and the capital and the wages and the salaries that are paid, and that will be done through the Internal Revenue Bureau and certified by the Shipping Board.

I want to return now for a minute to the 5 per cent tax deduction. I want you to notice in that section that wherever a man owns his own ships and carries his own products—and this is another statement that has been made in the newspapers quite generally—he can not get a deduction in his taxation. If the Standard Oil Co. carries its oil, it can not get a deduction. If the United States Steel Corporation carries its steel products, it can not get a deduction. That is very carefully guarded in that section. Wherever a man carries his own products he can not get a 5 per cent deduction. That takes in the large corporations.

Mr. BANKHEAD rose.

Mr. LINTHICUM. Mr. Chairman, would he get a subsidy if he carried his own products?

Mr. BANKHEAD. That is the question that I was about to ask.

Mr. EDMONDS. I will answer it, and nobody knows it better than does the gentleman from Alabama [Mr. BANKHEAD]. Yes; he will. We are taking this measure up, not only because of the merchant marine, but we are taking it up as a war measure. The very vessels that you want under your flag in time of war are these oil tankers, and you can not let them be distributed out under the flags of other nations, so that you can not control them in time of war and leave your ships and yourselves entirely helpless.

Mr. YOUNG. Has the gentleman made any estimate of the amount of these deductions from income tax, in so far as the total is concerned?

Mr. EDMONDS. I believe it is figured at about \$7,000,000, but I would not want to say.

Mr. YOUNG. Who made that estimate?

Mr. EDMONDS. I believe that was given to us by the Shipping Board, or stated by them.

Mr. YOUNG. There is nothing from the Treasury Department?

Mr. EDMONDS. I would not be surprised if they got the figures from the Treasury Department. I have no doubt that they have some basis for their estimates. The compensation feature of this bill stands in this way. You pay all of these people a subsidy. They have to be men of ability. Of course, you are not going to pick out Tom Jones and Bill Brown away out here in Arizona, where there are no ships, and pay them a subsidy, but you are going to pick up men with at least some capital and some ability. When a man earns 10 per cent, limited as carefully as this is—and we spent days over that section putting it into the law so that there would be no question raised in the future and no chance of any manipulation by the board—when a man earns 10 per cent in accordance with the rules and regulations of the income tax bureau of the internal revenue department, of anything over that he returns one-half until he returns the subsidy. If you are going to pay a subsidy, it is the absolutely fair way to do it.

Mr. MILLS. Mr. Chairman, will the gentleman yield before he comes to that topic?

Mr. EDMONDS. Yes.

Mr. MILLS. The gentleman from Wisconsin [Mr. J. M. NELSON] stated on the floor of the House this morning that the Government guaranteed a profit or return of 12½ per cent, and would pay a sufficient subsidy to guarantee a return of 12½ per cent. Does the gentleman from Pennsylvania believe that that is a statement which will be sustained by the fact?

Mr. EDMONDS. I do not think the gentleman from Wisconsin meant to say that.

Mr. J. M. NELSON. No.

Mr. EDMONDS. I think the gentleman from Wisconsin intended to say this: That there would be an earning from this bill of 12½ per cent on the value of the ships, without considering depreciation or overhead, or anything like that. That is possibly true.

Mr. J. M. NELSON. Here is the language—

Mr. EDMONDS. That is possibly true. But I would be only too glad if his statement were correct. If all of our ships would earn 12½ per cent we would at least know that we were going to get some of these subsidies back, and it would not be very long before they would be earning 15 or 20 per cent and giving it all back to us.

Now, the question I want to bring up—

Mr. LINTHICUM. Will the gentleman yield for a short question?

Mr. EDMONDS. I am sorry, but I can not. It is to the doubling of the amount of the compensation where it is found necessary by the Shipping Board, of course, always within the limit of their appropriation of money. They can not go to work and spend more than they get. There are lines to-day that need a certain amount of aid more than that proposed in the bill. Now, the British Board of Trade, if they were handling the subject, would have no difficulty with reference to it at all. As a matter of fact, the British Board of Trade has authority to suspend the navigation laws when they do not like them in reference to British ships. They have such complete authority and such an elastic authority they can almost do anything, notwithstanding their acts of Parliament.

Mr. J. M. NELSON. Will the gentleman allow me to correct that statement?

Mr. EDMONDS. I can not; I have not the time. I want to say that I do not find so much fault in giving a board in a commercial business of this kind a little elasticity. I think if you gentlemen drop politics and talk business you would say so, too. Now, in this section we describe what is foreign trade.

We go very thoroughly into that. I am trying to call to the attention of the gentleman from Wisconsin, the gentleman from Michigan, and gentlemen from the great West that even here in this bill this committee is recognizing the fact that possibly you will have a St. Lawrence canal, and the day after this bill is passed that a boat can leave Duluth, Chicago, or Cleveland, go down through the present canals and deliver a cargo at Liverpool, and get a subsidy for the entire voyage; can take up a cargo on that side and deliver it and get a subsidy for the entire voyage.

Of course, we do not subsidize boats on the Lakes; it would be foolish to do it. They are protected now. But any ship on the Lakes that wants to go into the foreign trade can to-day, if it can pass through the canals, go into the foreign trade and get exactly the same treatment as a ship from New York or a ship from Philadelphia or a ship from Charleston. The committee realized that possibly it might be hard to pass a bill of this kind at a later day, and possibly there might be some enlargement of the canals that would allow larger ocean steamers to go into the different ports on the Lakes, and they have arranged that they shall have exactly the same treatment up in the Great Lakes districts as the port of New York or any other port.

Mr. LINTHICUM. Will the gentleman yield for a short question?

Mr. EDMONDS. Yes.

Mr. LINTHICUM. The gentleman spoke of the indirect benefits that is aside from the subsidy. What does the gentleman estimate they will amount to, or has there been any estimate?

Mr. EDMONDS. I do not know how to estimate, there are so many different items.

Mr. LINTHICUM. Mr. Lasker said the indirect benefits would amount to more than the direct benefit from the subsidy.

Mr. EDMONDS. I think Mr. Lasker's statement was intended this way: That one of the benefits of the indirect aids would be that you would not have to pass such a large subsidy. You can not measure the indirect aid in dollars and cents. It will render the payment of a subsidy, probably the stoppage of the payment of a subsidy, not so far in the future.

Mr. CHANDLER of New York. Will the gentleman yield for a short question on the point of the indirect benefits?

Mr. EDMONDS. I will.

Mr. CHANDLER of New York. Has the gentleman any data on this point; that certain of our commercial rivals at the time when they had control of the carrying trade have refused to carry our products? Is it not possible that in a case such as that one of the indirect benefits is to secure us against a possible rejection of the carrying of our trade by competing nations?

Mr. EDMONDS. I will call attention to something that happened in July—I have a number of instances here, but I will not take the time to cite them—in July we found we were short of coal and a great many manufacturing establishments along the Atlantic and Gulf coasts wanted to buy coal, not so much the Gulf because they have nonunion mines, and they do not have so much trouble as our people in the North, and we have had a great deal of trouble. We started to bring coal from England. I remember I was sitting in my office one day and a friend of mine called upon me to place a couple of cargoes of English coal. I called up a friend of mine with reference to the coal and got a price, and the next morning the man I offered the coal to called me up, and he said there had been an advance in English coal of 75 cents, some shillings, I do not remember exactly. He said he would have to put that on the—

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREENE of Massachusetts. I yield the gentleman 30 additional minutes.

Mr. EDMONDS. I shall have to refuse to answer any more questions. I called him up and said the coal was sold because I could not get the additional price. What happened? The Shipping Board immediately turned loose 20 or 30 ships here and there abroad, and the price returned to normal within two weeks. That is the benefit of a merchant marine.

Now, as regards the increase in compensation. It requires a vote of five members for an increase or decrease of compensation. It requires a vote of five members of the board to do it.

Mr. KELLY of Pennsylvania. Will the gentleman yield for a short question?

Mr. EDMONDS. I will.

Mr. KELLY of Pennsylvania. The gentleman made a statement justifying the increase and diminishing of the individual compensation. What is the justification for the section provid-

ing that there shall be no review of the amount paid by the General Accounting Office?

Mr. EDMONDS. I will talk of that when I come to the section further on.

Mr. GRAHAM of Illinois. Well, will the gentleman, before he leaves that illustration, allow me to ask him this question? Suppose these ships had been in the hands of private individuals and not in the hands of the Government. Do you suppose that they would have been turned loose the same way, and that it would have had the same effect?

Mr. EDMONDS. Oh, yes. That is a very simple question, and it can be very simply answered. If I had 30 or 40 ships tied up and had an opportunity to make money with them I would do so.

Mr. GRAHAM of Illinois. Yes; you could make money, but if you knew that the moment you turned them out on the seas the other fellow would lower his rates, would you turn them out?

Mr. EDMONDS. Oh, no. The Shipping Board only turned them out when they secured the charters.

Mr. GRAHAM of Illinois. I was wondering if the same result would have happened if they had been owned by private persons.

Mr. EDMONDS. Oh, no. Ordinary business is pursued in the shipping business in just the same manner as in other business, but not in time of war.

Now, in section 412 we make an arrangement by which these ships that are subsidized are all at the beck and call of the Government in case of a national emergency. The Government gets the vessel at a fair actual price, the price prevailing at the time of the taking, but in no event shall the fair actual price be enhanced by the causes necessitating the taking. Let us see what that means. It means if I have a ship—I may have bought it for \$300,000, and it may be worth \$600,000, but the war comes on and it may then be worth \$1,000,000. I can not ask a million dollars for it, but I have to turn that over to the Government when the time comes at a fair actual price, and arrangements are made to arbitrate in case a dispute should arise.

Section 413 requires that all repairs to these subsidized vessels shall be made in this country as far as possible.

Section 416 carries the rules for compensation when the ship makes over 10 per cent profit. Title V makes provision respecting Army and Navy transports by substituting merchant ships in place of transports owned by the Army or Navy. Title VI has to do with provisions relating to rail and water transportation. Provision is made for taking up such matters as those on which there are or might be conflicting jurisdiction. It seemed that the Interstate Commerce Commission did not know how to work with the Shipping Board when joint rates were to be made, and the Shipping Board did not know how to work with the Interstate Commerce Commission. Bills of lading and all questions likely to arise over joint shipment rates are provided for. It ought to provide a good medium for uniting the work of the Shipping Board and the Interstate Commerce Commission.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. HICKS. There has been some statement made in regard to the transport service of the Army and Navy, that it should be carried on by the Shipping Board and the Shipping Board vessels used. Is it contemplated that the vessels owned by the Army or Navy shall be taken over and operated by the Shipping Board?

Mr. EDMONDS. No. It is contemplated here that the service, wherever possible, shall be done by the Shipping Board, by ships under private contract, instead of by ships operated by the Army and Navy.

Mr. HICKS. All transports, then, will remain in the Army and Navy?

Mr. EDMONDS. I do not know what they will do with them if they have no work for them.

Mr. HICKS. If they have no work for them, they will transfer them to the Shipping Board.

Mr. EDMONDS. Here is the difference—the difference between carrying the Army on a transport to the Philippines and carrying it on a private-owned ship. If we are going to give these people money to see that they get a fair return on their investment and give us money back again, we ought to concentrate this service, as has been done by Great Britain and other governments. All the South African transport was done by a South African line. They carried their officers down there and did it by contract. When the Boer War came on they had a contract for the use of the vessels. But the use of contract

service for the building up of a merchant marine is common among nations. Japan carries her officers on freight ships. She has a carrying contract. She does not attempt to run transports.

Mr. HICKS. I suppose the gentleman would say that it is good national policy to ship in a Government vessel all the things that we have to ship to the Philippines?

Mr. EDMONDS. It has to be shipped in an American vessel under this bill.

Mr. HICKS. By one of the vessels under the control of the American Government?

Mr. EDMONDS. If the Government sells all the vessels, of course not, but we have the power to take them over in case of war.

Mr. HICKS. We are shipping now by means of vessels not under the American flag?

Mr. EDMONDS. Yes; but we are trying to stop that.

Mr. HICKS. The gentleman disapproves of that?

Mr. EDMONDS. Oh, yes. I do not approve of that at all.

Section 607, which is the most important section, is written in order to make section 28 of the merchant marine act workable, it having been claimed by the department that they were unable to put it in operation. So we clarify that situation. Section 28, as you will remember, is the preferential rail rate section. You see, we have what is known on our railroads as an export rate on goods for export. That applies to both American and foreign ships. A foreign ship can get just as good an export rate from a railroad as an American ship can. Section 28 prevented the foreign ship from getting that preferential rate and made them pay the regular rate, and only allowed a preferential rate to be applied to American ships. Now the Interstate Commerce Commission and the Shipping Board could not get the thing to working, so we tried to have it put in workable shape, and we hope they will not ask any more questions, but that this will be put into operation and give our ships at least that preference.

Let me now refer to section 703. Our friends on the other side called attention to the fact that we had forgotten, as they said, to make an accounting section in the bill. We had thought that the original Shipping Board act of 1916 carried in it all the accounting sections that were necessary, but we found that, unfortunately, it said "in this bill." It did not even say "or amendments thereto," so we thought that we would have to put in a new accounting section. Because it had been said all over the country from the Atlantic to the Pacific that we were going to try to loot the Treasury, without requiring any accounting whatever of the Shipping Board, and thought we would put it plainly, so that the people would know that we were not going to loot the Treasury and that we would give them an accounting.

Mr. BLANTON. On that one feature of accounting will the gentleman permit a question?

Mr. EDMONDS. Yes.

Mr. BLANTON. The gentleman will remember the speech made by the very distinguished former chairman of the Committee on Appropriations, Mr. Good, on the floor here, wherein he stated that because it was impossible to get a true and correct accounting of the business of the Shipping Board and the Emergency Fleet Corporation he, as chairman of that committee, was going to see that they should not get a single other dollar of appropriation from this Government.

Mr. EDMONDS. Oh, yes; and if Mr. Good were here now he would change his mind.

Mr. BLANTON. The gentleman remembers that speech?

Mr. EDMONDS. Yes; very well. He talked to me about it before he made it.

Mr. BLANTON. Is that policy to be wiped away?

Mr. EDMONDS. If the Members of this Congress desire it, the Shipping Board will turn in a monthly report of their operations. The Shipping Board to-day is being run on a businesslike basis, which it never was before.

Mr. BLANTON. With a loss of \$50,000,000 a year?

Mr. EDMONDS. Have you ever figured how much money was made on these ships during the war, when one voyage would almost pay for a ship? Have you ever received any accounting from the Shipping Board of what became of all that money? You know we appropriated three billion and some odd dollars. What became of the profits? All gone; all wiped out. No accounting made for all that. There never was a report made by the Shipping Board that the Comptroller did not say he would not guarantee it and did not believe it himself. When we had the report before our committee in 1918 or 1919, we asked him the question, "Is this report you are going to make correct?" He said, "No; and it never can be."

Did you ever think of the possibilities, that you perhaps made a billion dollars off these ships in freights, notwithstanding the way they were handled; that you made a billion dollars and that there has never been an accounting made of it? And your loss may possibly be \$5,000,000,000 or \$6,000,000,000 instead of \$3,000,000,000?

Mr. BLANTON. Is that an excuse for the continuance of such unbusinesslike operations?

Mr. EDMONDS. No; and I am saying to you that now you can get a monthly report of the operations of the Shipping Board if desired. I heard some gentleman talking about the losses of the Shipping Board. Nobody knows the amount. You will never get an account of what the old Shipping Boards did. Last July the new Shipping Board just opened a new set of books, and to-day they will give you a monthly report. I have no brief to speak for the Shipping Board and I am not going to, but I am going to say this, that they have put the operations of the Shipping Board in businesslike shape at last.

Mr. OLIVER. Will the gentleman yield?

Mr. EDMONDS. I yield to the gentleman from Alabama.

Mr. OLIVER. I think the gentleman certainly by inquiring over the phone could find out and put into the Record a statement of what is the loss from operation at the present time.

Mr. EDMONDS. I will try and get it. I am not sure of it.

Mr. BLANTON. The gentleman has been very courteous in permitting questions. He spoke of the elasticity that he wanted to remain in the bill. It has been suggested that the gentleman should have made it Laskerticity.

Mr. EDMONDS. Perhaps if it were not for the lascars on the British steamers we would not have so much trouble about the difference in wages between British ships and American ships, so you can take it as you please.

When we come to section 704 of the bill I am going to move to strike it out. I want to say in regard to this section that the reason it was put in was because it appears that the business rivalry in the intercoastal trade between the Atlantic and the Pacific got so strong that a number of the companies were approaching financial distress. The unfortunate part of it is that the amendment is so written that it not only protects that trade, but does protect some other trades that do not need the protection. We have had a request from the Pacific coast for hearings on this subject, and so I think it would be as well to take this section out of the bill and have hearings and see just exactly what is wanted. This section was sent up to me by the Shipping Board with an argument in regard to the necessity for protecting these people, and we put it in the bill last Monday. Mr. DAVIS or Mr. BANKHEAD thought we ought to have some hearings on it, and I think that is true, so I think we will take it out of the bill and have a hearing and see what is necessary to protect these people from loss. The competition is making this loss. There is no question about that, but the question of allowing the business to be monopolized by one or two concerns is a very serious one.

Section 705 describes the home port. Ever since we have had shipping we have had all kinds of trouble about this question of home ports. The navigation law says that the home port is the place where a man principally resides. The result was that if a man in Denver bought a ship, that was his home port. If a man in Arizona bought a ship, that was his home port. Anywhere that he happened to want to call his home port, that place would be his home port under the law. Now the home port is the place where all the documents are kept and where they lie against the ship. If a man has a mortgage on his ship, he registers it at his home port. If he has any other trouble, like libels or anything of that sort against the ship, they are sent to the home port. If there are any other documents or securities issued against the ship, they are registered at the home port. So we thought we had better designate exactly what is meant by the home port, and we did so. Section 42 requires approval of the board to transfer any vessel from under the documentation of the laws of the United States to any other documentation, and the board's approval is required. We simply want the Shipping Board to retain the authority to give approval to the change from one flag to another. I think we all agree that that is a good section and there is no necessity for talking about it.

Mr. SNELL. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. SNELL. It has been reported that the large shipping interests are against the bill because it does not give a large enough subsidy to warrant the maintenance of a merchant marine. What does the gentleman say in regard to that?

Mr. EDMONDS. I want to say that during the drafting of this bill there were very few suggestions coming from the

large shipping interests. I do not know why. In December there were quite a few men came down and testified in the hearings, but they seem to have disappeared about that time and did not seem to care much about it. I am very frank in saying that I believe that most of the shipping men want this bill, although the interest they have displayed has been very slight. They have not attempted in any way to guide the committee in its conclusions.

Mr. SNELL. Does the gentleman think that this slight interest on their part was on account of the fact that the subsidy was not large enough so that it would warrant the maintenance of a merchant marine?

Mr. EDMONDS. That has been stated. I want to say that I heard that they thought the subsidy was not large enough. As a matter of fact several men in the shipping business have said that the subsidy ought to be larger.

Mr. SNELL. I suppose from the information the committee and the Shipping Board has they think that the subsidy allowed in this bill is enough to make up the difference in cost of operating under the American flag?

Mr. EDMONDS. We are satisfied that it will make up the difference in cost.

Mr. SNELL. And that it will guarantee a sufficient merchant marine under our flag?

Mr. EDMONDS. I would be willing to take the bill as it stands and say that it will guarantee a sufficient merchant marine.

Mr. KELLY of Pennsylvania. With the permission of the gentleman I want to say that there is one item in the bill that the gentleman has forgotten and to which I call his attention. That is section 418, the General Accounting Office.

Mr. EDMONDS. I did forget that. I have not looked at my references, but I presume the proposition is this. The General Accounting Office has always controlled the authority to approve or disapprove appropriations and the use of the money. But there are so many provisions in connection with the payment of a subsidy, so many different technical terms in the handling of the subject, that if it was left to the General Accounting Office there probably would not be sufficient and proper knowledge for the paying of it out.

Mr. FESS. I have heard it said that the bill was not very acceptable to the shipowners or to the men who were likely to be engaged in operating a merchant marine. Suppose we can not sell the ships, suppose the bill is not sufficiently inviting so that we could dispose of the vessels, is there any alternative?

Mr. EDMONDS. The gentleman means if we do not sell the ships?

Mr. FESS. Yes; do we have to sell the ships at any price, under this bill?

Mr. EDMONDS. No. Answering the question in regard to the shipowner I should like to say this: There are a number of large established shipowners in this country, possibly 10. The interest they have betrayed in the legislation is not so great. They like it, they will speak for it, but they are not running around about it, and the reason for that is that in this bill we provide for competitors of theirs. In other words, you and I, if we had the proper ability, knowledge, and capital, could start a line and buy ships and get the subsidy. In other words, all subsidies in the past have been made to individuals, to individual corporations, naming the party in the act. In this everybody can get a subsidy, provided he has the knowledge and the capital.

Mr. FESS. Then this fear expressed by some Members that the bill will not give us the means of disposing of the ships except at an unnecessary loss is not well founded?

Mr. EDMONDS. I do not think it is.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. FAIRFIELD. Until such time as we have disposed of the ships we will have to bear the loss incident to their being tied up?

Mr. EDMONDS. Yes.

Mr. FAIRFIELD. So we may be in a position where we will have, say, 3,000,000 or 4,000,000 tons sold, and plus the loss due to maintenance of the ships still left on our hands. Has there been any estimate in regard to that?

Mr. EDMONDS. I have said, and my opinion is, that three or four hundred—and perhaps five hundred—ships would be sold in two years. There are thirteen hundred and some odd ships. There will be possibly 500 sold in two years. But in selling these ships there is a certain amount of impetus given to business. We may use the small ships we have here, which are the most annoying. They have the right to sell the lake type abroad if we can not sell in this country. Mr. Lasker says he hopes to clean it up in four or five years. You have the right

to sell the lake type abroad and the right to use them in the coastwise trade, and some of them might be used in the rivers of China. A man was over here a short time ago talking about buying some of the ships to use in China.

Mr. FAIRFIELD. If that should happen, that would be covered into the Treasury and no additional appropriation would be made for launching.

Mr. EDMONDS. That is correct; but do not forget that the \$125,000,000 fund which the gentleman is talking about comes out of the sale of ships. That is the only place it can come out of, unless there may be some other property.

Mr. FAIRFIELD. Does the gentleman think that the sale of ships will be rapid enough so that it will take care of the money to be loaned, plus the cost of maintenance of those vessels still in the hands of the Government?

Mr. EDMONDS. Oh, yes. Our maintenance in taking care of the ships to-day tied up is not large. When I say that, I mean relatively, because handling a ship is a little different from handling a small car or something like that. Relatively there has never been a group of ships handled as cheaply as these ships are being handled to-day.

Mr. GREEN of Iowa. How many of the lake type of ships do we have?

Mr. EDMONDS. I will give the gentleman that figure a little later. I have it, but I can not put my hands on it now.

Mr. SNELL. How small an initial payment does the gentleman understand they are willing to accept and sell a ship for—10 per cent of its value, or any certain sum?

Mr. EDMONDS. No. That has been done, but the Shipping Board's attitude to-day is this: They consider that the price of the ship is so low that a man has no right to ask for much credit. They have sold this lake type of boat running from 2,800 to 3,500 tons for \$76,000 each.

Mr. SNELL. I have in mind the other and better type of boat for ocean trade.

Mr. EDMONDS. I imagine they would want about one-third down.

Mr. SNELL. And there will be nothing else given with them except the initial payment to guarantee this operation. If a man bought a boat and paid one-third, and at the end of the year found that he was not successful in its operation, he could turn that back to the Government?

Mr. EDMONDS. Yes; but he would have to take his loss.

Mr. SNELL. He would lose simply his initial payment?

Mr. EDMONDS. Yes. They would foreclose the mortgage and take the ship, just as is done with any other property.

The Assistant Secretary of Agriculture under President Wilson, Carl Vrooman, in an address before the Southern Commercial Congress in Chicago on Tuesday evening of this week, said:

America's most pressing need is to get rid of her surpluses. Our surpluses can and should be dumped abroad at once.

The late David Lubin said in 1914:

The few holders of advance information regarding freight rates are not alone enabled to operate in one market center, but such information will enable them to manipulate, directly or indirectly, the principal market centers of the world, whether in exporting or non-exporting countries, and to continue this kind of a loaded-dice game the year around, all at the expense of the producers and the consumers everywhere.

Again, Carl Vrooman, in 1916, when the war in Europe produced a shortage of shipping, in an article published as a Senate document, stated, speaking of the original bill creating the Shipping Board:

It would pay the farmers of America, and pay them big, to chip in and build a merchant marine for themselves. Our farmers could readily afford to spend not merely the \$500,000,000 called for by the pending shipping bill but \$100,000,000, or even \$200,000,000, in such an enterprise.

These gentlemen both recognized the value of shipping control in the world's competition for the control of the world's markets. Experience has proven if you do not control the final carriage of your products, you must perforce pay tribute to your commercial enemies.

Looking backward, how easy it is to perceive that if some act had been placed upon the statute books after the shipping investigation of 1906 that would have upbuilt our merchant marine, even if only to the extent of carrying 50 per cent of our imports and exports, and had it cost us \$50,000,000 per year, at the outbreak of our war with Germany we would have expended \$500,000,000, but, having the facilities in hand, we would have been able not only to save the taxpayers between two and three billions of dollars, but we would have been delivering all through the period between 1914 and 1917 our surpluses to countries needing them, greatly to our own profit, and giving the distressed countries of Europe much relief. No man within the hearing of my voice but will remember the terrific loss to

the farmer occasioned by the throwing of the surplus crops upon the market. Cotton was driven from a reasonable price to below the cost of production, and all other commodities followed the same course. The freight on American shipments rose rapidly to rates far in advance of the rates paid by our competitors who owned or controlled their own shipping, and it was only by governmental action that ruin was averted.

To-day when we have 600 or 700 fine cargo ships fairly up to date and of first classification and several hundred ships not as good or economical, but still equal to many ships to-day in service under foreign flags and good for service in certain trades, it should not be difficult for Congress to determine what would be the best plan for their utilization. We have but three ways to consider.

First. The proposed bill which looks to the disposal of the fleet to private parties, and plans by a comprehensive method to aid, by both direct and indirect methods, in equalizing the differences in costs until such a time as they can sustain themselves without the direct aid.

Second. Continued Government ownership and operation, which, after the experience of the past few years, surely can result only in its gradual elimination.

Third. Destruction of the ships or disposal of them wherever a purchaser may be found.

Whether it is called a subsidy or compensation, the practice of governmental aid to merchant shipping is, and long has been, the established practice of all the maritime nations of the world. This may take the form of postal pay and naval retainers to certain regular lines, as in the case of Great Britain, by whose Government the subsidy policy as now known was initiated almost a hundred years ago. It may be postal subsidy and naval retainer to regular lines and mileage subsidy to all shipping, with direct bounties for shipbuilding, as in the case of France, Italy, and other countries, including at one time Japan.

Nations subsidize their maritime industries according to their needs or resources precisely as nations, with now not one important exception, to some degree or another shape their customs tariffs so that they will not only yield revenue but favor their native manufactures or their native agriculturists. The motive of maritime subsidy is exactly the motive of the protective tariff, to give national preference for national prudential purposes to national interests against their competitors of other lands.

Every commercial people with seacoasts and ports and sea-borne trade recognizes as by a strong instinct of self-preservation that it must not depend for the delivery of its exports and the bringing of its imports solely upon the ships and seamen of other governments, its rivals in trade and possible enemies in war. Every people with a foothold upon the ocean recognizes that its merchant marine, by which is meant not only the ships themselves but their officers and men, the yards which launched the ships, the mechanics who put them together, and the separate manufacturing plants and men that produced the equipment of the ships, constitutes altogether a peculiarly important key industry for either peace or war.

The very first law of the first Federal Congress of the United States, passed on July 4, 1789, a law one of whose purposes was explicitly stated to be "the encouragement and protection of manufactures," also encouraged and protected navigation and shipbuilding by a provision allowing a preferential rate of 10 per cent of the customs duties of this same law on all goods imported into this country in ships built and owned by American citizens.

This policy of encouragement to American shipping by preferential customs duties and tonnage taxes, while gradually reduced as it may have seemed no longer necessary, did actually remain in force as to an important part of our commerce until 1850, when the United States was vigorously applying mail subsidies with great success for the encouragement of ocean steamship lines.

Commercial treaties, negotiated with the nations of Europe and with Japan, prevent a reapplication of the former system of preferential customs duties and tonnage taxes. If the proposed amendment of these treaties is not to be undertaken because of grave difficulties therein involved, the inevitable alternative for encouragement to our shipping is a resort to the policy of subsidy, which the treaties do not forbid, and which, in fact, all competing maritime nations grant without objection from America and with large advantage to themselves.

Opposition to subsidy to shipping in America has been due chiefly to the same kind of unconsidering prejudice which long blocked the formal adoption of the gold standard of value—a prejudice against the word itself. A subsidy, like so many other things, is just or unjust according to its essential character. It has been historically applied with many shades of

meaning. As a mere gift or reward by a medieval monarch to some favorite politician of his court it is one thing, and as applied by deliberate legislation for the public purpose of developing a strong merchant marine and for the promotion of commerce and the national defense it is quite another. Intelligent opinion everywhere recognizes this difference.

For more than 70 years the United States Government gave without question a subsidy in the form of a direct bounty to the vessels and men engaged in the deep-sea fisheries. For a different reason, to encourage a very different industry, the American Congress in 1890 granted a direct bounty to the farmers and planters who grew sugar within the United States. This was regarded rightly then as an effective substitute for a protective tariff rate. Not only the National Government but State and city governments in the United States have assisted by public funds, to the amount of a great many hundreds of millions of dollars, the creation and maintenance of local and long-distance lines of land transportation.

Subsidy has also been given by Congress, though fitfully and inadequately, to the encouragement of transportation on the sea. After the British Government, in 1839 by a mail subsidy of \$425,000 a year to the Cunard Line, called the first regular trans-Atlantic steamship service into being, the United States in 1845 and 1847, on the initiative of President Polk and with a loyal heartiness then upheld by all parties and sections, granted mail subsidies for the encouragement of American steamship services across the Atlantic and to the West Indies and the Isthmus of Panama. Under this subsidy policy our ocean steam shipping from 1847 to 1855 increased more rapidly than Britain's and demonstrated such seagoing qualities that the American flag, as in the packet and clipper ships, commanded in steam the best trade of the Atlantic. It is of this era that Dr. David A. Wells, the economist, wrote in his history of the merchant marine that—

The prospect, therefore, at one time was that the United States, although late in the start of this new department of foreign shipping, would soon equal, if not overtake, her great commercial competitor.

It was the action of Congress that struck down the American steamship service on the North Atlantic by the reduction and then the withdrawal of the postal subsidies. In 1856 the principal subsidy, that to the Collins Line, was cut to \$385,000 a year; it had been as high as \$858,000. In 1858 there was another reduction of the Collins mail pay to \$346,000 a year, while other lines were restricted to the sea and inland postage. This action of Congress threw the Atlantic steamship trade into the hands of European companies.

At that time the Cunard Line was receiving a subsidy of nearly \$900,000 a year, and the British Government was expending in all for subsidies to British lines from \$3,700,000 to \$4,500,000. France granted her line on the trans-Atlantic route \$620,000 a year when the American service was abandoned. Commodore Vanderbilt, the ablest steamship manager of his time, made a resolute effort to keep American steamers in operation on the basis of the sea and inland postage alone, but could not succeed against the subsidies of Europe.

Since 1858 no real sustained trial of an adequate subsidy policy has been attempted by the United States, unless the subsidy paid the Pacific Mail Steamship Co. for 10 years from 1867 to 1878 can be called a policy of the Government. During the period of subsidy payment the total payments to the company totaled about \$4,500,000, but the payment did lead to the establishment of a line in the Pacific sustaining itself without subventions, excepting mail payments to the present day, though the subsidy plan has been steadily pursued, in one way or another, by all of our competitors. In 1891, after much urging by maritime and commercial interests, the United States Senate did pass a strong shipping subsidy bill applicable to both mail and cargo steamers. But all aid to the cargo ships was refused by the House of Representatives through the opposition of a group of Republican Representatives of the Mid-Northwest. These men also insisted on the cutting down of the subsidies to regular mail lines, which the Senate had set at a fair but not extravagant level.

The result was a crippling of the entire measure, viewed as a general policy of aid to the American merchant marine, though the new law did create or sustain two or three valuable postal services to the West Indies, to Mexico, to near-by South America, and to Australasia, and assisted in the development of an American line of four 20-knot ships from New York to Europe, the only complete, regular trans-Atlantic service flying the Stars and Stripes at the outbreak of the World War. In fact, almost all of the few American steamships afloat in overseas service in 1914 owed their existence to the little subsidy experiment of the ocean mail act of 1891, under which the United States was paying in aid to the merchant marine about one-half

of what was being contributed in postal subsidies to the aid of British shipping by the Government of Canada alone.

All through the period from 1891 to 1914, merchants, manufacturers, exporters, and bankers of the country were earnestly petitioning for adequate encouragement to American ocean shipbuilding and navigation. They were asking for protection for the one American industry left almost wholly unprotected and neglected—and this the most intensely competitive industry of all. Regularly the party platforms promised aid to American shipping. Following the Spanish War of 1898, a general subsidy bill, championed by Senators Frye and Hanna, passed the Senate, but could win no favorable action in the House of Representatives because of midwestern Republican opposition. In 1904, President Roosevelt secured the appointment of a Merchant Marine Commission of Senators and Representatives, under the chairmanship of the late Senator Gallinger of New Hampshire, to study the shipping question and present a report. Another subsidy bill granting aid to both mail lines and cargo vessels was recommended by the Republican majority of this commission, and was passed by the Senate on February 14, 1906, by a vote of 38 to 27. In the House, as before in 1891, the subsidy to cargo vessels was eliminated from the bill and mail subsidy was restricted to certain lines to South America. In this crippled form the bill was passed by the House on March 1, 1907, but concurrence of the Senate was prevented by a filibuster in the last hours of the expiring Congress.

Senator Gallinger brought forward the bill in postal form, and it was passed by the Senate on March 20, 1908, without a division. This bill, as an amendment to the Post Office appropriation bill, was brought up in the House on May 23, 1908, and defeated 145 to 153. On March 2, 1909, on a roll call in the House, the ocean mail bill was again rejected, but by a much narrower division of 172 to 175.

This brings the record down to the creation of the Shipping Board by the shipping act of 1916, and the passage of the Jones law, or merchant marine act of 1920. Throughout the years the policies chiefly advocated for the restoration of American ocean shipping and shipbuilding have been (1) subsidies, (2) a revival of preferential duties, and (3) "free ships"—that is, the free registry in the United States of foreign-built ships for overseas commerce. A "free-ship" provision was contained in the Panama Canal act of 1912, so far as concerned ships less than 5 years old. The provision in time of peace produced no result whatever. Not one foreign-built steamer was presented for American registry until the World War broke out and a new value was suddenly attached to the American flag as that of the most powerful of neutral carriers.

The "free-ship" privilege was broadened in the emergency act of August 18, 1914, but experience has proved that "free ships" alone are not an important factor in the upbuilding of the merchant marine. Far more valuable is some effective method of compensating shipowners for the higher wages and cost of maintenance of all American ships, of either native or foreign construction. Ships will neither be built in this country nor brought into registry from abroad so long as foreign vessels have a markedly lower wage and maintenance cost than American vessels, and often the additional advantage of subsidy or some other form of national assistance.

Our actual trial of "free ships" for overseas trade and the fact that preferential customs duties and tonnage taxes can not be applied unless commercial treaties are first amended make a general subsidy system inevitable if any complete aid is to be extended to the American merchant marine. It is the one policy left for consideration and adoption. As has been said, subsidy is the policy to which in some form or degree all of our maritime competitors have long been resorting. It is barred by no treaties and is least liable to provoke retaliation in kind. It is not well for the world that any one nation or group of nations should dominate the trade of ocean carrying. That never has been just or prudent, and it is far less just or prudent or possible now than ever before, because, as Secretary Hughes so significantly declared at the opening of the disarmament conference, "The importance of the merchant marine is in inverse ratio to the size of naval armaments."

Only about one-sixth of the products of American industries are exported overseas, but that one-sixth is greater in volume and sometimes greater in value than the exports of any other nation in the world. Rightfully, therefore, the United States is entitled to possess one of the greatest, perhaps considering its vast water-borne domestic commerce, the very greatest of all the merchant navies of the world. Rightfully, also, the United States is entitled to carry in its own ships the same proportion of its sea-borne trade as any of its competitors, which in the case of its chief competitor, Great Britain, is now about 70 per cent. As a matter of fact, American ships are

now conveying only about one-third in value of the exports and imports of our country. A year and more ago American ships were carrying about one-half of our imports and exports. What these figures clearly signify is that American ships are slowly but steadily being driven out of even our own overseas commerce, through cheaper wages or in some cases subsidies, or both combined, by ships that fly the flags of other governments.

That is to say, there is now going on the unmistakable displacement of what was once a great and prosperous American industry—which can again be made great and prosperous—by foreign industries, all of which have lower wage scales and cost of maintenance, and possess besides in some way or other national aid and encouragement of their own. This displacement of American ships by ships of other flags and allegiance right in our own commerce carries with it the displacement of American officers and seamen and the lessening of our means of national self-defense.

The situation is one which imperatively calls for national protection to the one great industry long left almost absolutely unprotected. The factory, the farm, have been, are now or will soon be, adequately protected against alien competition. If the factory, the farm, why not the ship and the shipyard?

Let it be remembered that American ships in the overseas trade compete directly and keenly with foreign ships of all the nations in the world in our own ports, along every mile of ocean to foreign ports, and in those foreign ports for every export and import cargo of American commerce, and that American ships do this against all the wage handicaps which our farmers can possibly meet, plus often the added handicap of foreign subsidy or other national assistance rigidly denied thus far to American shipowners and seamen. Under these conditions is it surprising that in 1915 there were so few American ships left in overseas trade that foreign shipowners were able to compel American farmers to pay more money for carrying a bushel of grain abroad than the farmers received for all the labor and expense of its production?

Any aid or subsidy now given to American shipping must include the cargo ships, the "tramp" steamers, of which the American people through the Shipping Board own hundreds—the ships needed and fit to carry American grain and provisions and cotton to markets in foreign lands. That these are the farmers' kind of ships must not be forgotten by the national lawmakers. Agriculture still supplies the bulk of our export commerce, and it is entitled to full consideration in the shaping of a national policy for the encouragement of our merchant marine.

Granting that it is desirable and necessary to aid not only the regular mail line ships, which are relatively few, but the slower cargo ships, which are many, in any serious effort to encourage American maritime industry, the effort is wholly practicable. There are precedents for it. American national maritime policy, as framed by Washington, Jefferson, and Madison, protected all American ships engaged in commerce—not merely the postal or passenger packets of that day. Several nations of Europe, and Japan for a considerable time, have aided by direct subsidy their cargo carriers.

Great Britain has not practiced this expedient, but the mail subsidies of the British Government in the crucial period from 1840 to 1860 applied to all or most of the ocean steam tonnage of the United Kingdom. Moreover, the British subsidies, creating regular steam lines, developed also a growing traffic a large part of which could not profitably be conveyed in liners, but demanded the use of the cheaper "tramps." Finally, the potential, protective power of Lloyd's classification and insurance agencies, and the complete cooperative organization of British merchants, exporters and importers and brokers all over the world have given British "tramp" shipping through the years an advantage perhaps as valuable as direct aid could extend.

For all this indirect assistance there is no equivalent yet available to the cargo ships of the American merchant marine. Direct aid is absolutely necessary in our own export and import commerce. This aid by subsidy can be made applicable to all our ships regularly engaged in the foreign trade of the United States. It can be given to vessels only while actively employed in loading, steaming, discharging, or undergoing voyage repairs, and it can be based on the actual difference in wages and maintenance between the American ships and their immediate competitors. All this is entirely feasible, for the movements of merchant ships and the pay rolls of all nationalities are matters of record available at any time.

Just as in the case of regular mail liners, subsidy to cargo ships can be made conditional upon the performance of substantial service to the Government. These ships can be re-

quired to carry the mails in case of need where no liners are available. They can be held subject under contract to be turned over to the national authorities at a fair price or rate of hire in an emergency.

As to the exact amount of the subsidy that must be given to equalize competitive conditions and thus assure fair play to the new American merchant marine, whether Government owned or privately owned, this is much more readily ascertainable than the commercial data for establishing protection by tariff law to manufacturing and to agriculture. Foreign merchant vessels competing with our own ships enter our ports and make themselves subject to taxation and inquiry here in the same way in which American ships have been subject to just such taxation and inquiry in foreign waters. Wage scales of foreign shipping, as of American shipping, are the subject of constant investigation and report by the Department of Commerce and the Shipping Board. If once the principle of protection to the American ocean merchant fleet is established, the manner of applying the principle can promptly be determined.

In the main, however, it is not statute law or regulation but natural standards of wages and of living in the United States that are responsible for the higher cost of manning and maintaining the American merchant marine. Sea wages and living standards for every maritime country are established by the wages and standards of living that obtain on the land in that country. This is the reason chiefly why the pay roll of British ships is somewhat higher than the pay roll of Scandinavian ships and why the pay roll of Scandinavian ships is somewhat higher than the pay roll of Italian or Greek ships, for example, and the pay roll of Italian or Greek ships is again higher than the rate prevailing in the merchant service of Japan. Abnormal exchange, which now makes the German sea wage even lower than the Japanese, is a special factor counting heavily against American ocean shipping. It is, in fact, temporarily equivalent to a subsidy to most foreign ships against America. This abnormal exchange must be fairly reckoned with for the time being in the adjustment of an adequate subsidy for vessels of the United States.

Our leading competitors in shipping to-day are Great Britain, France, Italy, and Japan. All of these countries pursue a policy of subvention, subsidy, or other favoritism toward their shipping interests, in many cases helping shipbuilding.

It is Great Britain which first began the policy of subsidizing steamships and has been most persistent and therefore most successful in the application of that policy to her great national steamship services plying to all important markets in the world.

The Cunard Co., the first regular trans-Atlantic steamship service, was created in 1839 by the grant of a postal subsidy of \$425,000 a year by the British Government. This \$425,000 a year represented more than the total first cost of a steamship of that day, or about 25 per cent per annum on the entire first cost of the whole fleet of Cunard steamers.

In 1841 the British Government gave a subsidy of \$1,200,000 a year to the Royal Mail Steam Packet Co. to create a line to the West Indies and to the Isthmus of Panama. This subsidy was soon increased to \$1,350,000 a year for an additional British service to Brazil and Argentina. At the same time a subsidy of \$225,000 a year was given to the Pacific Steam Navigation Co. for a line on the west coast of South America, which touched at no British port.

These payments were not for postal service only, but were intended as encouragement to British shipbuilding and navigation, and it can be demonstrated beyond the shadow of a doubt by the statements of British officials themselves.

In the first place these payments in all the British discussions of the day were plainly described as "subsidies." No other word was used.

The parliamentary committee on contract steam packets, made up of the British public men who had voted the subsidies and best understood their purpose and character, declared in 1853 in the report to Parliament:

The objects which appear to have led to the formation of these contracts and to the larger expenditures involved were to afford us rapid, frequent, and punctual communication with distant ports which feed the main arteries of British commerce and with the most important of our foreign possessions, to foster maritime enterprise, and to encourage the production of a superior class of vessels, which would promote the convenience and wealth of the country in time of peace and assist in defending its shores against hostile aggression.

This statement is a description of the steamship subsidy exactly as it is understood in the United States. It is quoted from the most competent authority in the British Government at the very time when these subsidies were being established.

In 1845 and 1847, on the recommendation of a Democratic President, Polk, and by vote of a Democratic Congress the United States initiated a policy of subsidies to steamship lines

exactly like the subsidies of Great Britain. The British Government incidentally increased its subsidy to the Cunard Line from \$425,000 to \$725,000 a year to put out the new American competition. That such was the purpose of the increased subsidy was declared by Mr. Cunard, the head of the Cunard Co., testifying in 1849 before the parliamentary committee on steam packets.

He said:

If I had got this contract three months sooner there would have been no American line.

The American line to which he referred was the famous Collins Line of American-built trans-Atlantic steamships from New York to Liverpool. Its ships were larger, swifter, and generally more efficient than the Cunard steamers, and these American ships quickly took the ascendancy on the North Atlantic. Officers of the British Navy who examined the American steamers reported to their Government that Great Britain "had no steamships comparable with them"; that they were better sea boats and that their propulsive equipment was superior. These American ships held all the trans-Atlantic records, carried two-thirds of the best passenger business, and cut Cunard freight rates in half during the period of their operation.

Even then the British Government, in the vain effort to kill the American line, gave Cunard a further increased subsidy of \$900,000 a year, but the American ships retained their pre-eminence. Two of them were lost at sea, and several of the British ships had meanwhile been lost. But the Collins Line lived until 1858, when its subsidy of \$858,000 was first reduced and then most of it withdrawn by Congress in the time of the political slavery quarrel between the South and the North.

Again, to quote a British, not an American, authority, Richard Cobden, testifying before the parliamentary committee on packet and telegraph contracts, declared shortly after that the American steamship service "ceased because the American Government withdrew the subsidy."

Another British witness, Mr. Wilson, stated before the same committee:

In the face of these increasing British subsidies the American Government has altogether relinquished the practice of subsidizing their vessels, and their vessels, of course, have been driven off the passage.

At this time the Cunard Steamship Co. was receiving a subsidy of almost \$900,000 a year, which was greatly reduced as soon as it had achieved its purpose of killing American competition.

To quote still another British, not an American, authority, Henniker Heaton, a member of Parliament and formerly British postmaster general, declared in the North American Review of October, 1894:

As American ships were not subsidized, their owners could not compete with the Cunard and other companies, the art of shipbuilding languished, and the American carrying trade was transposed to foreign bottoms. In 1891 only 13 per cent of the exports from the United States were carried in American ships, which at one time had engrossed 90 per cent. As a consequence of refusing \$5,000,000 a year in subsidies during 30 years to native shipowners, or \$150,000,000, the United States had to pay in the same period not less than \$3,000,000,000 for freights, while their mercantile marine dwindled into insignificance.

Rear Admiral Bedford Pim, another celebrated British maritime authority, thus described the subsidy policy of the British Government:

It has been the policy of the British Government to establish or, rather, to encourage the establishment of British steamship lines by the annual payment of a postal subsidy, and this with the most gratifying result as regards the expansion of British commerce. I know of no instance of a British postal line of steamers originally established without a subsidy for carrying the mails.

Incidentally, a distinguished American statesman, Senator James Ashton Bayard, of Delaware, father of Thomas Francis Bayard and a forebear of a Democratic Senator elect of the same name, said in a debate in Congress on the Collins subsidy in the year 1852:

I am willing to trust American skill and industry in competition with any people on the globe, when they stand nation to nation, without government interference. But if the treasury of a foreign nation is poured into the lap of individuals for the purpose of destroying the interests of my country or for building up a commercial marine at the expense of the commerce and prosperity of the United States, I for one will count no cost in counteracting such Government action on the part of Great Britain or any foreign power.

Not only in earlier but in later and present times it has been the fixed policy of the British Government, while bestowing subsidies on its own principal steamship lines, to give no postal pay to American and other foreign ships as far as possible. When a French line of steamers, Messageries Imperiales, offered to convey the British mails to the Far East for a fraction of the subsidy of \$1,300,000 a year which the British Peninsular & Oriental Co. was receiving, it threw the House of Commons

into a fit of indignation and protest. As one of the members, Mr. Crawford, said:

Now, what I desire to do on this occasion is to protest, in the name of what I consider to be the interests of the country and the interest of commerce, and in justice to our own companies, against the ships of the Messageries Imperiales or of any other foreign company being employed in the conveyance of our eastern mails. [Loud cheers from all parts of the house.] You may carry the principle of economy too far. [Hear, hear!] Such a course of proceedings would be free trade gone mad. * * * I think it is rather too much to expect that the interests of this country, commercial, social, and political, should be made to depend upon the good will of any foreign nation whatever. [Renewed cheers.]

When a few years later, in 1887, it was stated before the House of Commons that French and German steamers of superior speed were willing to convey the Asiatic mails for "from one-fourth to one-half less postage" than the British steamers were receiving, the proposition was vehemently rejected by Parliament, Mr. Goschen, Chancellor of the Exchequer, declaring that the services for which the Peninsular & Oriental Co. was subsidized were services which are postal in one sense, but which are undertaken partly for political, commercial, and other objects.

Postmaster General Raikes at the same time declared:

I think that if the honorable member only took the pains to study the course of public opinion he would find that a contract with the North German Line or the Messageries Maritimes would have a very slight chance of being adopted by the House of Commons.

The British Government boycotted not only French and German ships but the American steamers of the Inman Line, *St. Louis*, *St. Paul*, *New York*, and *Philadelphia*, of 20 knots, which in their prime performed the swiftest and most regular steamship service across the western ocean. There were at that time only two steamers in the whole British mercantile marine that were as fast as these steamers, but the British Government would send no letters except those specially addressed by these American steamers, paying them a rate only one-third or one-fourth of that given to British vessels of inferior speed. In 1905 the British Government paid only \$10,511 in mail pay to the four fast American liners, though our Government in that year paid \$212,000 to the steamers of the British White Star Line, \$101,000 to the British Cunard Line, \$168,000 to the North German Lloyd, \$64,000 to the Hamburg-American Line, and \$60,000 to the French company.

Between 1839 and the present time Great Britain has expended about \$400,000,000 in direct subsidies to her principal steamship services, but in exchange for it the British Government has secured a fleet of swift naval-reserve steamers four times the size of the similar fleet possessed by the United States. In this matter it is Great Britain that has been the protectionist and the United States relatively the free trader.

The British subsidies have not been confined to Atlantic ports. The Canadian Pacific Line from Vancouver to Japan and China has been subsidized by both the British and the Canadian Governments—"a notable illustration of the generosity and courage with which England pushes her shipping interests," declared the late Hon. William C. Whitney in his annual report as Secretary of the Navy during the administration of President Cleveland.

Thus not only British authorities, but eminent American Democratic authorities, challenge and destroy the assertion of the opposition to this proposed marine bill that "Great Britain, chief maritime country in the world, has never given any subsidies to steamships."

Another assertion almost equally misleading is sometimes heard that the British Government "has never subsidized tramp steamers, and these make up the bulk of the British merchant marine."

This is not a total falsehood—it is only a half truth. Originally all ocean steamships were liners, and then all British steamships were subsidized, and that was shown in the advancement of steamship building and navigation. In the years between 1840 and 1860, it is a historic fact, never disputed, that at that time the British subsidies to regular line ocean steamers created British shipyards and engine and boiler works which could not have come into existence without such Government encouragement. These British yards and engine and boiler works that built the first subsidized British vessels later turned their attention to building slower freight steamers, so that indirectly the British tramp fleet is a product of the British subsidy system.

Furthermore, it has been realized that the subsidies given to the contract lines of British steamers have powerfully operated to create new commerce in which the slower tramp steamers have found a place as the carriers of the cheaper and bulkier commodities. All of the subsidized British steamship companies have long owned large fleets of the slower cargo

ships which have been indirectly the beneficiaries of the national subsidy system.

However, the most direct protection and encouragement which the British freight steamers have received has been given by the close working cooperation of British merchants, underwriters, agents, and brokers all over the world. These interests have invariably worked together to give preference to British cargo ships and to discriminate against all non-British competitors.

What may well be described, in the words of Secretary William C. Whitney, as another "notable illustration of the generosity and courage with which England pushes her shipping interests," has lately come to light in the port of Alexandria, Egypt, where for nearly two years a close-working combination between the Liverpool Conference, in which the Cunard and Prince companies are included, and the Alexandria Produce Association, also dominated by British interests, prevented American steamers from carrying a single pound of Egyptian cotton to the American mills for which this cotton had been purchased. This powerful, exclusive, discriminatory protection of British cargo steamers in the Alexandria-New England cotton trade could not be broken up and any cargo secured for American ships until the British combine had been thoroughly frightened by threats of reprisal by the American Government.

Between direct subsidies to regular steamship lines and combinations and discriminations like those just described at Alexandria, the British merchant shipping for the last 80 years may well be described as the most effectively State aided and protected industry in the world.

James G. Blaine was not mistaken when, in his celebrated letter of 1890 to Mr. Gladstone, he declared:

It will not escape Mr. Gladstone's keen observation that British interests in navigation flourished with less rivalry and have increased in greater proportion than any other of the great interests of the United Kingdom. I ask his candid admission that it is the one interest which England has protected steadily and determinedly, regardless of consistency and regardless of expense. Nor will Mr. Gladstone fail to note that navigation is the weakest of the great interests of the United States, because it is the one which the National Government has consistently refused to protect.

To this statement Mr. Gladstone never replied, for the sufficient reason that it was absolutely true and unanswerable that in ocean shipping it is Great Britain that has been the protectionist and the United States the free trader.

Mr. Blaine in his very last speech in the United States Senate, on January 27, 1891, thus strikingly summed up what had been to that date—and indeed, has virtually remained to the present day—the do-nothing, pliant, and destructive policy of the American Congress:

It is a fact equally remarkable that for the last 25 years, or make it only for the last 20 years, from the beginning of the war to this hour, the Congress of the United States has not done one solitary thing to uphold the navigation interests of the United States. Decay has been observed going on steadily from year to year. The great march forward of our commercial rival of old has been witnessed and everywhere recognized, and the Representatives of the people of the United States have sat in their two Houses of legislation as dumb as though they could not speak, and have not offered a single remedy or a single aid. * * *

During these years in which Congress has not stepped forward to do one thing for the foreign commerce of this country, for all that vast external transportation whose importance the Senator from Kentucky has not exaggerated, but has strongly depicted, the same Congress has passed 92 acts in aid of internal transportation by rail; has given 200,000,000 acres of the public lands, worth to-day a thousand million dollars in money, and has added \$70,000,000 in cash, and yet, I repeat, it has extended the aid of scarcely a single dollar to build up our foreign commerce.

Outside of Great Britain the policy of subvention or subsidy in aid to the British marine has been used by every colony of Great Britain, so it is almost impossible to compute the exact amount paid to the various lines from various sources. The cross Atlantic mail—carried by the two companies, the Cunard and White Star—payments amount to between \$600,000 and \$700,000, besides some special payment made on account of the construction of the *Lusitania* and *Mauretania*, a portion of the construction money being loaned by the British Government at 2½ per cent. The Peninsular & Oriental Steamship Co. receives for special services from the British Government about \$1,200,000. Reference to Commerce Report of July 31 will fully describe the British payments, but you will note it says that it is impossible at this time to compile the payments made by the colonies.

Perhaps the most striking modern example of the upbuilding of a merchant marine is that of Japan, which country, by both shipbuilding subsidy and subsidy to shipping, has succeeded in securing for herself the position of third power in importance in the overseas trade in the short period of 20 years. The budget for 1922-23 provides for a postal subvention of about \$5,000,000. Besides this the average navigation bounty for the

past seven years has been about \$4,000,000 annually, shipbuilding bounties of about \$1,250,000 per annum.

France and Italy pay both a shipbuilding bounty and a subsidy, the recent contracts of France for subsidized services being in the nature of limited compensation proposed in our present bill. Italy spends about \$6,000,000 annually in shipping subsidies, and our latest reports from France would indicate the Government is preparing to pay the largest subsidies ever under consideration in that country.

A comparison of the world's tonnage for showing the increases or decreases of the past 30 years is as follows:

	WORLD'S SHIPPING.	Tonnage.
1890	-----	22,151,000
1914	-----	49,089,000
1921	-----	61,974,000
	UNITED KINGDOM.	
1890	-----	10,241,000
1914	-----	19,956,000
1921	-----	19,571,000
	FRANCE.	
1890	-----	1,045,000
1914	-----	2,319,000
1921	-----	3,652,000
	GERMANY.	
1890	-----	1,569,000
1914	-----	5,459,000
1921	-----	717,000
	JAPAN.	
1890	-----	171,000
1914	-----	1,708,000
1921	-----	3,354,000
	NORWAY.	
1890	-----	1,705,000
1914	-----	2,425,000
1921	-----	2,114,000
	ITALY.	
1890	-----	820,000
1914	-----	1,549,000
1921	-----	2,406,000
	UNITED STATES.	
	(Registered for foreign trade.)	
1860	-----	2,546,000
1865	-----	1,602,000
1880	-----	1,352,000
1890	-----	946,000
1914	-----	1,076,000
1921	-----	11,081,000

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. EDMONDS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, it would be impossible for any one member of the Committee on the Merchant Marine and Fisheries or any member of the Committee of the Whole House on the state of the Union to undertake within any reasonable limitation of time to discuss and analyze all of the various provisions of this bill and apply to that discussion at the same time the testimony that has been submitted in these very voluminous and extensive hearings. It shall be my purpose in opposing the bill to undertake to give a candid and frank analysis of its provisions, to show what unusual and extraordinary powers are granted to the Shipping Board, and to undertake to show not by imagination or by conjecture but by the actual record of the evidence disclosed by the witnesses that the aid and subsidies invoked in the bill are not absolutely essential to the maintenance and operation of a successful American merchant marine. I shall not undertake to discuss it from a partisan standpoint, although I am glad to say that the party to which I owe allegiance is unqualifiedly opposed to the fundamental provisions of this bill.

Mr. CHANDLER of New York. Mr. Chairman, will the gentleman yield at this time?

Mr. BANKHEAD. No; I desire not to be interrupted until I can make a coherent statement, and I ask the gentleman's indulgence in that respect. The distinguished gentleman from Massachusetts [Mr. GREENE], the chairman of this committee, in opening his remarks on this bill said that it was in answer to the promises of the Republican Party as declared in its last national platform on the merchant-marine proposition. The gentleman from Wisconsin [Mr. J. M. NELSON] undertook to quote from that plank of the last Republican platform but did not do so in full.

There was some little controversy between the gentleman from New York [Mr. SNYDER] and the gentleman from Wisconsin [Mr. J. M. NELSON] as to what a correct interpretation

of the Republican attitude on this question is as declared in its platform. For the benefit of the record and in order that the members of the majority party may have their recollections refreshed as to their party's declaration on this question, I propose to read it.

Mr. GREENE of Massachusetts. Mr. Chairman, will the gentleman yield to me for a question?

Mr. BANKHEAD. Inasmuch as I have referred to the gentleman from Massachusetts, I feel inclined to yield to him.

Mr. GREENE of Massachusetts. I will read exactly what I have said:

It is offered in fulfillment of reiterated solemn pledges of the Republican Party to help and upbuild the merchant marine.

That is what I said in my opening remarks.

Mr. BANKHEAD. I accept that, and I am glad the gentleman has incorporated just ahead of its platform what he did assert.

Mr. GREENE of Massachusetts. I said exactly what I meant.

Mr. BANKHEAD. I shall now read the platform.

MERCHANT MARINE.

The national defense and our foreign commerce require a merchant marine of the best type of modern ships flying the American flag, manned by American seamen, owned by private capital, and operated by private energy.

We indorse the sound legislation recently enacted by the Republican Congress that will insure the promotion and maintenance of the American merchant marine.

We recommend that all ships engaged in coastwise trade and all vessels of the American merchant marine shall pass through the Panama Canal without payment of tolls.

There is your full party declaration on this question. I call the attention of those members of the majority party who may still be in some doubt as to the propriety of an affirmative vote for this measure to the specific language of this declaration:

Owned by private capital and operated by private energy.

Is there any man on this side of the House who, by any stretch of interpretation, can say that that is a declaration in favor of a Government subsidy for the operation of our merchant marine? On the contrary, the positive declaration appears to be opposed to that principle because it asserts that it should be operated by private energy. What does that mean in its fair and correct analysis? It means that the owners of these ships shall undertake to exercise their ingenuity and their own capital and their own energies in order to build up the merchant marine, and it says nothing about expecting them to reach their hands into the Public Treasury of the United States and to extract therefrom annually for a minimum period of 10 years the enormous sum of at least \$52,000,000, and very probably much more—cash moneys that are paid into the Treasury of the United States out of the toil and sweat and the labor and private energies of the other producers of America—that they shall be selected and picked out and set apart as one particular favored industry in this country to be handed this magnificent gratuity out of the Treasury of the United States.

They indorsed in that Republican platform the following:

We indorse the sound legislation recently enacted by the Republican Congress that will insure the promotion and maintenance of the American merchant marine.

They were referring to the provisions of the so-called Jones Shipping Act, the merchant marine act of 1920. I heard these same gentlemen, who are now the active and partisan sponsors of this monstrosity now presented, urge upon the consideration of the Congress and the country a little over two years ago that if this Congress would but enact the Jones bill it would do what your party boasted in this platform it had done—insure, promote, and maintain the American merchant marine. And what have you done with that so-called bill that would do that thing? In so short a period as two years you come before this Congress and before the country and confess that that bill, which you then guaranteed and assured us would promote a permanent and successful American merchant marine, is an absolute failure, and you are now abandoning it out of the whole cloth. [Applause.]

Is not that a fair statement of the situation? If you failed in that, why not in this? What did you rely upon as the main support of the proposition announced in your boastful national platform? You relied upon sections 28 and 34 of the Jones Act, one in reference to preferential freight charges for foreign shipments and the other providing that goods imported into this country in American bottoms should be brought in at reduced rates of tariff at the customhouse. And now you have absolutely abandoned that then pronounced program and both of those two provisions that you then stated were proper safeguards for the building up of an American merchant marine. President Wilson refused to execute the provisions of section 34, and I well remember that such distinguished Republicans

as the gentleman from Pennsylvania [Mr. EDMONDS] and others were very severe in their strictures upon that action of the President of the United States, and gave out interviews publicly announcing that so grave was the dereliction of the then President in failing to observe the mandate of Congress upon this great question that they thought he ought to be then and there impeached and removed from office. The gentleman from Pennsylvania does not deny that. He can not successfully deny it. And yet, in the course of politics, two years afterwards his own party came into power and his own President took the reins of office, and he was presented with the necessity of passing upon this same question. President Harding followed the decision of President Wilson upon that question and refused to put it into operation. And yet I have not heard the distinguished gentleman from Pennsylvania or any other man prominent in authority on that side threaten to impeach President Harding for his failure to do that thing.

And so stands feeble and impotent the legislation upon which they assured the people of America that they would be able successfully to promote and maintain in perpetuity a merchant marine without a cash subsidy. And then the other provision in reference to the preferential freight rates, when interrogating the prominent members of the Shipping Board as to why they had not taken any steps to put that into effect—

Mr. EDMONDS. Will the gentleman yield?

Mr. BANKHEAD. I want to make a coherent statement, if the gentleman will kindly excuse me.

Mr. EDMONDS. I wanted to correct the gentleman. Of course, he remembers his President signed this act, agreed it was a good thing, but refused to put it into operation.

Mr. BANKHEAD. Yes; and your party passed that act, and you now confess it was a fraud upon the American people. [Applause.]

Mr. GARRETT of Tennessee. And his President voted for it in the United States Senate. [Applause.]

Mr. BANKHEAD. Exactly. So, gentlemen, I say as I proceed in this argument it is well for us to preserve the record.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. BANKHEAD. Briefly.

Mr. DAVIS of Tennessee. In response to what was said by the gentleman from Pennsylvania, the present bill contains one provision, the tax-exemption provision, which both Chairman Lasker and Mr. Morgan said was far more valuable than section 34, and that is inserted as a subsidy, but instead of stopping with that they have innumerable other costly provisions and subsidies in the bill.

Mr. BANKHEAD. I heartily agree in the statement of my colleague. Now, gentlemen, let us undertake to disarticulate this skeleton and see what it discloses. It is a matter of very grave public concern. It is a matter that involves the taxpayers of America for at least the next 10 years in the event this Congress by great unwisdom should enact it. It is a proposition that entails the payment out of the Treasury of the United States of an amount in the minimum of at least \$52,000,000 a year, and in all human probability much more. And I shall proceed to give my authority for the statement I make as to the probable cost to the taxpayers of this country—this gratuity to be bestowed upon these favored gentlemen on the Atlantic seaboard. I quote from the testimony of the high apostle of a subsidy, Chairman Lasker, of the Shipping Board. On page 273 of the hearings, in reply to an inquiry by the gentleman from Tennessee [Mr. DAVIS], this answer was given by Mr. Lasker. I will quote the question and then the answer:

Mr. DAVIS. No; I beg your pardon. As I understand it, this revised report was revised after the bill was introduced.

Mr. LASKER. Let me see, now. I think we can get a quick meeting of the minds.

Here are the figures on cross-examination. I presume Mr. Lasker has all the frailties that are inherent in men, and as a proponent of this proposition wanted to make it as little objectionable to the American people as possible. Here are the items he gives. I quote:

The total cost to the Treasury if the bill ever becomes highly successful in operating, so that we have an adequate merchant marine for peace and war, will be: Customs, \$30,000,000; tonnage, \$4,000,000; income tax, \$10,000,000; construction, \$3,000,000; and postage, \$5,000,000.

Mr. DAVIS. How much does that add up? \$52,000,000?

Mr. LASKER. That will add up \$52,000,000.

Now there, gentlemen of the committee, is your primary cost under the operation of this bill.

Mr. FREE. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. I regret I can not yield.

Mr. FREE. Some of that is already paid, and that is not an additional amount.

Mr. BANKHEAD. I am quoting from the record of the proceedings.

I want to call the attention of the gentleman from New York [Mr. HICKS], if he is present, to this fact: He made an inquiry of the ranking Republican member of this committee, the gentleman from Pennsylvania [Mr. EDMONDS], with reference to the effect of the change of this provision regarding transports. I thought my friend from Pennsylvania was rather evasive on that proposition, because there is no ground for any subterfuge or evasion on any provision of this bill. It is plainly written in the bill itself that if it is passed there is proposed to be a substitution for the transport service in the carrying of these supplies and troops, and so forth, by private owners, and the bill authorizes the Shipping Board to make contracts for that purpose. Of course, it is the purpose of the bill to add an additional subsidy for the benefit of the private owners and to abolish the well-established transport service now in existence.

Mr. MONDELL. Mr. Chairman, will the gentleman yield for an inquiry?

Mr. BANKHEAD. Yes; I will yield to the distinguished leader of the majority for an inquiry.

Mr. MONDELL. Assuming that Mr. Lasker is correct in his estimate—

Mr. BANKHEAD. Usually that is a violent assumption, but in this case I will concede it.

Mr. MONDELL. Assuming that Mr. Lasker is correct in his estimate of cost, based upon the full utilization of the fleet, the estimate he made upon the full utilization of the fleet is about what it is costing now to operate a quarter of the fleet, so that it is no additional burden at any rate, assuming that Mr. Lasker is correct, and it presumes three or four times as large a fleet upon the seas as we now have without an additional charge upon the Treasury.

Mr. BANKHEAD. Well, I expect to get to that phase of the situation a little later. I expect to show, and I think other colleagues of mine on this committee will be able to show—

Mr. EDMONDS. Mr. Chairman, will the gentleman yield there?

Mr. BANKHEAD. Let me finish this sentence—that this alleged loss of \$50,000,000 by the Government is totally and absolutely unnecessary, and it could be, if we had to resort to the contingency of further temporary Government operation, very, very greatly reduced. Now, what is the gentleman's observation?

Mr. EDMONDS. I simply wanted to call the gentleman's attention to the fact that the loss on Army transports, referring to the proposition for the employment of other ships for that service, is about \$5,000,000.

Mr. BANKHEAD. Now, gentlemen, I want to proceed to another phase of this proposition.

Mr. GRAHAM of Illinois. Before the gentleman proceeds, in answer to what the gentleman from Pennsylvania says, I read a statement in the hearings by Secretary Weeks stating that the cost of the Government transport service is less than it would be under the Shipping Board.

Mr. BANKHEAD. That is correct.

Mr. GRAHAM of Illinois. Is the gentleman from Pennsylvania right about this, or is Secretary Weeks right?

Mr. BANKHEAD. I do not regard either of them as of very high authority on this bill, but I believe that a Cabinet officer outranks somewhat a Member of Congress in authority, but not necessarily in accuracy. [Laughter.]

Mr. EDMONDS. Of course, the gentleman realizes that he is not an authority on authorities. [Laughter.]

Mr. BANKHEAD. I will let the gentleman's colleague from Illinois answer that question.

Now, gentlemen, I think you will recognize that this is a fair proposition. We recognize that this ship subsidy bill is a very extraordinary remedy for what is called a bad situation, because there is no doubt on earth but that it lodges very unusual and extraordinary powers in a small executive branch of the Government, to wit, the Shipping Board. There is no doubt on earth that it involves the enactment of a policy that has heretofore been stubbornly combatted in the Congress of the United States and always defeated uniformly—the bestowal of a direct cash subsidy from the Treasury of the United States upon a private enterprise. It is certainly a question of such momentous concern—

Mr. CHANDLER of New York. Mr. Chairman, will the gentleman yield there?

Mr. BANKHEAD. Let the gentleman contain his anxiety until I have finished this sentence. It is of such immense importance that the great papers throughout the country are discussing it daily in their columns. It is a policy which for possibilities of danger involved is, in the opinion of the members of my party, the greatest since my service in Congress here began; and I therefore say that on account of the issues in-

voled, on account of the tremendous sums of money involved, the duty is certainly imposed upon the proponents of the proposition to show by facts—not by assertion but by facts and the record—that there is absolutely no other remedy, and that all of the provisions that they are asking for combined are required to build up and maintain a successful American merchant marine.

Mr. CHANDLER of New York. Now that the gentleman has finished his sentence will he yield for a question?

Mr. BANKHEAD. Does the gentleman think he can improve on that sentence? [Laughter.]

Mr. CHANDLER of New York. I want to ask the gentleman a question that the gentleman can answer.

Mr. BANKHEAD. I yield.

Mr. CHANDLER of New York. The gentleman stated that the attitude of the Democratic Party was antagonistic to this measure.

Mr. BANKHEAD. I have stated that.

Mr. CHANDLER of New York. I want to lay a foundation or predicate to the question I want to ask, not to make a speech. As to that celebrated sentence which the gentleman has just closed, that this measure has been combatted by his party—

Mr. BANKHEAD. And by some very respectable people of your party.

Mr. CHANDLER of New York. Does he not know the fact, as stated by the gentleman from Alabama [Mr. UNDERWOOD], now a Senator, in the debate on the Panama Canal tolls, that the Democratic Party had repeatedly been committed to a subsidy, and does he not know that the Senator from Louisiana [Mr. RANSDELL] mentioned the historical fact that the Democratic Party had gone on record in favor of a subsidy? Is not that a fact?

Mr. BANKHEAD. The gentleman is undertaking to draw a conclusion by reason of two isolated expressions of opinion by two individual Democrats, both of whom I admire highly, that because they felt so-and-so upon some particular question, therefore they expressed the attitude of the Democratic Party on this question.

I want to assert—and I think I am reasonably familiar with the position of the Democratic Party upon this question—that from the time my party was formed, and from the time when Thomas Jefferson gave expression to that sound fundamental doctrine, we have stood and we still stand on the proposition that we believe in equal rights to all and special privileges to none. [Applause.] Now, that is not elocution. That is just a statement of our historic attitude upon this question, and presents our attitude at the present time. I recognize that there are some gentlemen who hold allegiance to my party who, on account of some peculiar local conditions of one sort or another, may vote for this bill. There are not many such. Speaking of the question of party principle, I want to ask the gentleman if he is willing to assert, as a responsible representative of the Republican Party upon this floor, that his party stands in principle for a subsidy for ships or any other special interest?

Mr. CHANDLER of New York. Does the gentleman ask me that question?

Mr. BANKHEAD. Yes; I ask you that question.

Mr. CHANDLER of New York. Yes; I think the Republican Party is committed historically to the principle of protection to American industries on land, and that the protection of ships on the sea is only another form of that protection. [Applause.] Since the 7th of November I do not claim to be a responsible authority of the Republican Party. [Laughter.]

Mr. BANKHEAD. I am inclined to concede that. [Laughter.] Unfortunately a good many of the gentleman's colleagues in this Congress occupy the same unhappy situation. [Laughter.]

A MEMBER (on the Republican side). But that condition is not chronic.

Mr. CHANDLER of New York. There is still a majority of Republicans in the House.

Mr. BANKHEAD. The gentleman from New York has made his declaration, which was applauded very liberally upon his side of the House, and I am very glad to have his statement that we have a very definite line of cleavage on this question between his party and mine. I do not think there will be any misunderstanding about that. I am willing to join issue before the American people on the principle involved.

Mr. CHANDLER of New York. I do not wish to annoy the gentleman by breaking into his remarks, but I want to make one observation. I suppose every Member of this House received the typewritten statement of the distinguished Senator from Louisiana [Mr. RANSDELL], and I suppose it was an authoritative statement, giving the ascertained facts and data

showing that in the many years past of the Democratic Party it has for decades been committed to the principle of a subsidy for ships; and I believe the Senator from Louisiana rather than the gentleman from Alabama.

Mr. DAVIS of Tennessee. If the gentleman from Alabama will permit me, I will say that I read that statement and the facts therein recited do not substantiate the gentleman's assertion. As a matter of fact, I have read carefully all the platform pronouncements of both parties upon this subject, and the Democratic Party has never at any time, directly or indirectly, declared in favor of ship subsidies, but has repeatedly and emphatically declared against them in Democratic national platforms; and I wish to say, furthermore, that the Republican national platform has never at any time declared in favor of ship subsidies, not even at the times when such bills were pending in Congress and they were vital issues, and at the times when the Democratic national platforms were declaring against them. And during the recent campaign, while you have had no national convention, I know that a great many Republican State conventions have refused to declare in favor of this pending bill, including the Ohio Republican State convention after they were requested by President Harding to do so. [Applause.]

Mr. BANKHEAD. After which the gentleman from New York [Mr. CHANDLER] saith not.

Mr. CHANDLER of New York. Absolutely.

Mr. BANKHEAD. Now, gentlemen of the committee, I was diverted from the line of my argument that I was intending to make when I laid down the proposition that this was an important public question and that the burden certainly was upon the proponents of it to establish its necessity. Now, let us see from the record again what are the differentials against the American merchant marine under existing law and practices and customs which require the enactment of this ship subsidy bill. Let us see from the record what the chief sponsor for this proposition asserts are the things now in existence which make impossible the successful operation of an American merchant marine privately owned without this subsidy. The gentleman from Texas [Mr. HARDY], the ranking Democratic member upon our committee, on page 24 of the hearings, asked Mr. Lasker this question:

Mr. HARDY. What do you consider are the elements of disadvantage that the American shipowner labors under to-day as compared with the British shipowner?

I think it is proper for me to state in conjunction with that question of Judge HARDY that Mr. Lasker and the other members of the Shipping Board laid down the proposition that what they were essentially seeking under the provisions of this bill was to be able to compete successfully with British shipping upon the high seas. That was the mark that they set.

Mr. Lasker's answer was:

I am not proposing myself to go into details in answering those questions, because those who are experts and who are my advisers will answer; but in a general way I will say that the differences are original capital cost, interest, insurance, labor, and subsistence.

Now, gentlemen, that is a fair statement of the elements that compose the obstacles, from the standpoint of the sponsors of this bill, to the successful operation of an American merchant marine. If it can be successfully established that all of those differentials are not as they are submitted by Mr. Lasker and his assistants, if it can be established by argument and by the record that we are in a position under economical and efficient private ownership to meet these alleged differentials without the imposition of these subsidies, then I submit that the case for this bill absolutely falls to the ground, for it is based and bottomed and predicated upon these five propositions. Mr. Lasker and the proponents of this bill say we can not successfully compete with Great Britain because of higher original capital cost, higher interest rates, higher insurance rates, higher labor, and higher subsistence.

Now, let us take the first proposition of original cost and analyze it for a moment and see if their assertion is sustained by the record. Understand, gentlemen, that from the statement made on the majority side here the great, pressing problem that we have to deal with in this legislation is to do something with this tremendous tonnage, this great fleet that the Government now owns. Of course, there are involved in it elements of future construction in the years to come, but that is the pressing and paramount question at the present time, the disposition upon favorable terms of the fleet of some 10,000,000 or 11,000,000 dead-weight tons of vessels that the Government now owns, and all the provisions of this bill are predicated upon that necessity.

Here is an outlay on the taxpayers of America during the days of the war, construction and outlay, of some three billions of dollars. It does not do any good now to go back into the history of that transaction. For the purposes of this debate

I am perfectly willing to admit that there were many great mistakes in policy, possibly, and that there was great extravagance and great waste in the disposition of the public funds; but I think a fair statement of that situation would require it to be observed that it was inevitable and to a large extent would have been the same had even the Republican Party been in control of affairs of the Government at that time. The American people were confronted with the desperate necessity of the construction of a great fleet as quickly as it could be done by human genius and human energy to win the war. We built up a complete fleet and spent three billions on it, and now we own it. This bill says that we want the fleet back again into private ownership. Mr. Lasker says that if you give us this bill he thinks he can sell to private owners within 30 months all the ships that are possible to be sold. It must be assumed that Mr. Lasker and other responsible attachés of the Shipping Board have made up their minds that we may be able to salvage the sum of \$200,000,000 for the fleet that cost us \$3,000,000,000. I am not complaining about that if we sell instantly, because any just man familiar with the maritime and shipping conditions must know the world over is under great depression in marine and international trade, and that the price of vessels is depressed to an extent never known before in the history of the world. As a matter of fact, I think the record shows that the current market quotations will show that good steel tonnage at the present time can be bought not only from the Shipping Board but from other sellers from one-third to one-half of what it would actually cost at the present time to reproduce them.

But a great many of us fully realized all the time that this great investment in these ships or a large proportion of it, and the expenditure incurred under extraordinary, unusual conditions was inevitable and has to be taken as a part of the loss of the war like many other war materials, and I for one have very grave doubts whether we would be able to salvage any material as a part of the \$3,000,000,000 so far as the Government control is concerned.

We should fairly recognize that as the present situation, but is that situation to endure permanently? Why should we take such a pessimistic attitude upon the recovery of the world and the rehabilitation of national trade and credit? Why should we not hope for a revival and an approach to normal conditions in the next few years? I admit that the situation temporarily seems very desperate, but I hope and believe that there will be ultimately and necessarily a revival of the trade conditions. If we can secure proper legislation, this can be effected so far as our participation in it is concerned. So the Shipping Board hopes to get \$200,000,000 for these ships, and from the standpoint of initial cost that is one of the things asserted in the evidence by the proponents of the bill; in fact it was stated that that was the primary differential that operated against the American competition. That was what they said operated against successful competition—the initial cost. They stated that Great Britain could manufacture steel vessels cheaper than America and therefore they would cost a private operator 25 per cent more if bought in this country than if he had the privilege of buying abroad. But, gentlemen, certainly for a long period of time the life of a well-constructed steel cargo ship or a passenger ship has a minimum life of some 20 years. Here the private ship operators, who expect to invest in a Government vessel, will have a period of at least 15 or 20 years, have the privilege of operating the ship for from 10 to 20 and in some cases 30 years.

They will have the privilege of operating these ships at that extraordinarily low initial cost for a long period of time. So that in the average length of the life of a steel vessel well constructed the operators will not have the overhead burden of a high initial cost. They will have conferred upon them even though this bill should not pass, which I hope it will not and which I believe it will not after it has received the full and fair consideration of the American Congress; even if this bill was not passed, from the standpoint of initial cost under the authority which the Shipping Board now enjoys, under the provisions of that same Jones bill I have referred to, it has the plenary power at the present time, regardless of the subsidy bill, without restriction, without limitation, to sell this splendid property of ours to these proposed private American ship operators at such cost as they may see fit in their discretion to sell it, and far below the cost of production. So that this bugaboo of high initial cost—certainly for a long period the high initial cost as an obstacle has been dissipated. I think that is a fair statement on that differential.

Mr. SNELL. Will the gentleman yield?

Mr. BANKHEAD. I will.

Mr. SNELL. As I understand from the statements made here, the ships we have now at present are not of sufficient

variety, so that it will be necessary to construct other ships. Those new ships will have to come into the increased cost, and how would you take care of that even if you did sell the ones that are already constructed?

Mr. BANKHEAD. I will say that under the existing law the Shipping Board has a fund of \$25,000,000 a year for a period of five years in order to meet that difficulty. You might amend the Jones law and increase the amount of that building fund and give it to these gentlemen who propose to build these new ships.

Mr. SNELL. Would the gentleman advise building them at a cost of \$150 to \$200 a ton and selling them at \$30 a ton right off rather than to give any subsidy or other aid?

Mr. BANKHEAD. The gentleman means new construction?

Mr. SNELL. Yes.

Mr. BANKHEAD. I certainly would not.

Mr. SNELL. That would be what it would amount to, would it not? I am asking for information, because I am interested in this.

Mr. BANKHEAD. I do not know what view the private operator of ships might take of it, but there is no use in the gentleman talking about any construction at the present time costing \$150 or \$200 a ton, because the world market construction price at this present time for the very best type of vessels is from \$50 to \$65 per ton.

Mr. SNELL. Can they be produced in this country for that figure at the present time?

Mr. BANKHEAD. I think so. There is no reason why they should not be. Mr. Chairman, the second element mentioned by Mr. Lasker in his summary of the obstacles is the question of interest. Under the terms of this bill as imposed now there is no limitation, no maximum limitation, as to what rate of interest the Shipping Board shall exact from those who purchase the present Shipping Board fleet. As long as the present personnel of the Shipping Board is in charge of the sales division and operation, taking the view they evidently do of this question of interest, they are proposing to sell these ships for a period of 15 years' credit, and they have the discretion to fix the interest charge at such sum as they please under existing law.

The gentleman well knows that this present Shipping Board is not going to exact any rate of interest that would be a disadvantage to the American operator over the British operator of ships. Not only that, from this standpoint of interest charge, as has been suggested by the gentleman from Wisconsin [Mr. J. M. NELSON] in his argument, but they are proposing here to amend the Jones law, which had only \$25,000,000 in its construction fund, and increase it to \$125,000,000, and they are to have the discretion to lend that money for a 15-year period at as low a rate as 2 per cent interest. Does the gentleman believe that this Shipping Board would charge more than 2 per cent when they are authorized to make the loan as low as that? Certainly not, because they are seeking to offer every possible financial inducement to the successful operation of an American merchant marine, and this revolving fund, this building and loan fund, is to go on in perpetuity; and so these aspiring gentlemen to whom the gentleman from New York [Mr. SNELL] refers may say, year after year, "We want to build up a palatial passenger vessel or a fine cargo vessel, and we have not the money, and we want to borrow it from the Government," and the United States Shipping Board would say, "All right, we believe in that, here is your money," and they will be able to get it at a rate of 2 per cent interest. Does the gentleman believe that our chief maritime competitor—Great Britain—or her financial and banking interests for the next two years will be in a position to offer money to the British shipper at that rate of interest? Certainly not.

Mr. J. M. NELSON. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. J. M. NELSON. I notice in the report of the joint committee of shipowners, ship operators, and shipbuilders, where they originally made their demand upon the Shipping Board for this subsidy, that they asked for only \$100,000,000. Why the extra \$25,000,000? Does the gentleman know?

Mr. BANKHEAD. Oh, well, out of an abundance of caution Mr. Lasker and his associates want to have a safe surplus, I presume. I was not familiar with the statement referred to by the gentleman, but that is what the bill proposes.

I have discussed the question of capital costs and the question of interest. I hope I have done it fairly. I do not want to present any unfair argument on this proposition.

The next element mentioned is that of insurance, but I am afraid that I am going to have to call my friend Mr. EDMONDS, of Pennsylvania, to the witness stand for a moment, if he is here. You remember that last February—at least, the gentleman from New Jersey [Mr. LEHLBACH] will, if he is

present—there was introduced from the Committee on the Merchant Marine and Fisheries a bill, known as the marine insurance act, upon which our committee had held very elaborate hearings, a bill which the Democrats in its final form advocated; and what did Mr. LEHLBACH and Mr. EDMONDS and the other sponsors of that piece of remedial and progressive legislation tell us would be its benefit? They told us that for a long period of time under existing law Lloyd's and other foreign marine-insurance companies have practically had a monopoly upon the insurance of American hulls, and they assured us when we brought in that American insurance act—which was passed by the Congress and is now a law—if we would pass it that under its operation that situation would be remedied and that there would be built up in the United States of America, under the generous and elastic provisions of that law, an insurance situation that would enable the American insurance companies to write practically all of our marine insurance on American vessels upon terms of absolute competition with all foreign companies. Is there anybody on the Republican side who will deny that statement?

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Does the gentleman deny it?

Mr. CHINDBLOM. Does the gentleman think it fair to say that after six months' operation of that law it should have produced insurance institutions in this country to take the place of the British insurance companies which have operated and have gotten the business for over 100 years?

Mr. BANKHEAD. Does the gentleman assert that if it is given a fair opportunity over a period of 30 months, or of 3 years, that it will produce the results that he and his colleagues claimed for it?

Mr. CHINDBLOM. I assert that if we give it a fair and reasonable time, it will accomplish a great deal of what was expected of it, but I assert that it is not fair to make the charge now, after six months, that it has proven a failure.

Mr. BANKHEAD. I did not say that I was limiting the benefit to a period of six months. I asserted that the gentleman's party—and my party voted with him on it, because we believed the assertions made by the witnesses in behalf of that bill—asserted that it would afford a vehicle through which American insurance written by American companies on American vessels could be procured on terms of competition equal to Lloyd's or anybody else, and I believe it now. Does not the gentleman?

Mr. CHINDBLOM. Yes; certainly; but give it time.

Mr. BANKHEAD. Then, that effectually disposes then of this proposition that there is competition in that line. [Applause on the Democratic side.]

Mr. CHINDBLOM. Will the gentleman yield? Does the gentleman mean to be understood as saying that after six months that law should have produced the result he anticipates?

Mr. BANKHEAD. Have I asserted that?

Mr. CHINDBLOM. Why does the gentleman mention that law as an argument against the proposition that at the present time insurance costs more in the United States than in England?

Mr. BANKHEAD. I was mentioning that law because Mr. Lasker, of the Shipping Board, said that not only for the present but for the future one of the elements operating against the American shipowner was that of insurance and insurance charges, and I assert that the gentleman's party brought in a bill here under the operation of which, when given a fair trial, there will be afforded adequate relief to the American insurer, and thereby effectively disposing of any disadvantage to the insurer of American ships and cargoes.

Mr. CHINDBLOM. Why, yes.

Mr. BANKHEAD. How long do you want?

Mr. CHINDBLOM. I certainly want more than six months.

Mr. BANKHEAD. We will give you three years; will that satisfy the gentleman?

Mr. CHINDBLOM. No; I am not sure that it will. [Laughter.] That is quite typical, derisive laughter when anybody asserts that an enormous business like the marine insurance business of America can be established in three years' time. You folks may think that that can be done, but it shows what business judgment there is on that side of the House.

Mr. BANKHEAD. Does it indicate any lunacy, I will ask the gentleman?

Mr. CHINDBLOM. It indicates a lack of comprehension of the necessity of a growing business for anybody to assert that a bill that has been in operation only six months is to be derided because it does not produce a large insurance business.

Mr. BANKHEAD. I never made any such assertion.

Mr. CHINDBLOM. Why, the gentleman is speaking about the law; what has that to do with the present situation?

Mr. BANKHEAD. I believe the gentleman has more than ordinary comprehension, and I was discussing it because it was

mentioned by Mr. Lasker as one of the preferentials, and that not only now but for the future would prevent the successful operation of an American merchant marine.

Mr. CHINDBLOM. Does the gentleman now assert that the passage of that law six months ago militates against Mr. Lasker's position?

Mr. BANKHEAD. I do not.

Mr. CHINDBLOM. Then what is the—

Mr. BANKHEAD. On the contrary, I am seeking in one instance to sustain the claim of the majority side that the marine insurance act will abolish the alleged unfavorable differential.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. BANKHEAD. I will yield.

Mr. DAVIS of Tennessee. I want to call attention to the fact that Mr. Lessner, a member of the Shipping Board, chairman of the subcommittee studying the marine-insurance problem, stated that while formerly there was a disadvantage on insurance against American owners such no longer existed by reason of the operation of the American bureau and other things which he mentioned, and there was no longer any disadvantage in that respect.

Mr. EDMONDS. Will the gentleman yield?

Mr. BANKHEAD. Very briefly.

Mr. EDMONDS. I want to make a statement. The gentleman well remembers in our committee when we were arranging in reference to an American insurance syndicate to take insurance little hull insurance was taken in. To-day that insurance syndicate takes practically 50 per cent of hull insurance at equal rates to that taken on the other side. I am not talking about cargo rates but hull-insurance rates.

Mr. BANKHEAD. The gentleman still thinks his bill will do what he promised to do?

Mr. EDMONDS. I am satisfied that the marine-insurance companies of this country are going to improve every year.

Mr. BANKHEAD. How long?

Mr. EDMONDS. About 10 years.

Mr. BANKHEAD. Therefore at the end of 10 years we hope there will be no differential. Take the next element—labor and subsistence. I want to say to you gentlemen, one of the conspicuous arguments heretofore—at least before these hearings began and the consideration of this bill commenced—one of the conspicuous arguments urged against the successful operation of an American merchant marine was the American seamen's act; that it was impossible on account of the labor differential, caused by that act, successfully to compete with foreign ships. We had a great deal of propaganda here that came to us through the mails on that line. In fact that was the chief argument. It was made down in my section of the country, and I have no doubt through all parts of the country. Those who were seeking to destroy the effectual provisions of the seamen's act were using it as an argument that it would make absolutely impossible the operation of an American merchant marine. That is the truth about it—and I am going to quote to you here, so there may be no confusion in the record, the statement of Mr. Albert Lasker, the chief proponent of this proposition on that question.

Mr. MOORE of Virginia. May I interrupt the gentleman just half a minute at that point?

Mr. BANKHEAD. I shall be glad to yield.

Mr. MOORE of Virginia. Did the gentleman understand the other day the President himself dwelt upon that as a very important argument?

Mr. BANKHEAD. I understand so. In fact—

Mr. MOORE of Virginia. The President dwelt upon that as a very important argument, as I heard him, and in fact stated that is the element of disadvantage that makes a subsidy necessary.

Mr. BANKHEAD. That is what the President suggested.

The CHAIRMAN. The gentleman has consumed one hour.

Mr. BANKHEAD. I shall take a little additional time. Now, let us see what the truth is about this thing. Let us clear the atmosphere, gentlemen, of all misunderstanding that may tend to becloud the real, legitimate issues involved in this matter, because I know that all gentlemen here are seeking a just and honest conclusion as to the merits of this proposition. Now, I asked Mr. Lasker, after testifying in chief upon this bill, this question.

Mr. CHINDBLOM. Will the gentleman refer to the page?

Mr. BANKHEAD. Page 43, volume 1, of the hearings. I read:

Mr. BANKHEAD. I understand from the President's address to Congress, and also from the statement that you have made, that you do not undertake to recommend or urge any material change in the seamen's act that now exists?

Mr. LASKER. You are right. I want to take occasion to say here that I think the seamen's act has been one of the most misrepresented acts of which I have ever heard. I came down to Washington believing, as most people in my part of the country do, if you repeal the seamen's act you would have a merchant marine. That is pure bunk.

Mr. BANKHEAD. That is the reason I asked the question, because for a long time those who were undertaking to give reasons why we could not operate successfully with our foreign competitors based their assertions exclusively on the discrimination caused by the seamen's act.

Mr. LASKER. I think they have gotten worn out on those representations.

Mr. BANKHEAD. I am glad to hear that.

That is what Mr. Lasker says. Does that satisfy you, gentlemen? Can you appeal to any higher authority on this question of the differential imposed by the provision of the seamen's act than Mr. Lasker, the chairman of the Shipping Board? If so, to what authority will you appeal? He tells you that, although, no doubt on account of false propaganda up in his section of the country, as he says, they have been led to believe that if you would but repeal the provisions of the seamen's act you would have a merchant marine; yet after full and careful and painstaking investigation—that is the inference that is to be drawn from his statement—he now asserts that it is "pure bunk."

That is a colloquial expression, but, reduced to its correct interpretation, it means that there is absolutely nothing in that contention and that he himself now believes that it is threadbare and discredited and worn out as an argument. And so certain are Mr. Lasker and the other members of the Shipping Board that there was no prejudice against the successful operation of the American merchant marine because of the seamen's act that they did not offer one single suggestion of an amendment to any of its provisions, but very gladly and cheerfully conceded that it was, under present conditions, a negligible factor in the entire maritime situation.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question there?

Mr. BANKHEAD. I will be glad to yield for a brief question.

Mr. SNELL. Do I understand that your contention is that the cost of labor under the terms of the La Follette seamen's law is no higher than that of our competitors?

Mr. BANKHEAD. That is my contention. I have not time to read it, but I will insert it in the extension of my remarks for the benefit of my friend from New York. And I imagine that my friend from New York is one of those who, along with a great many others in this country, on account of the reiteration and repetition of this formula about the seamen's act, has actually come to the conclusion that on account of the operation of the seamen's act itself there is an extreme and certainly substantial differential in cost on account of the act.

Mr. SNELL. I had no special reference to the provisions of the seamen's act, but I was under the impression that various other conditions made the cost of labor under the American flag much more than the cost under our competitors' flags.

Mr. BANKHEAD. What other labor?

Mr. SNELL. The total average cost of labor. Is not that so?

Mr. BANKHEAD. I would state to the gentleman from New York that the average cost of labor, for instance, in an American shipyard is somewhat higher, man for man, possibly 20 or 25 per cent higher, than what it is in a British yard; but the evidence before our committee, evidence given by experts who know something about labor conditions, men like Edgar Wallace, Patrick O'Brien, and Andrew Furuseth, who have studied these questions both here and abroad, shows that while that is true, yet it has been clearly established that on account of American superiority in organization and efficiency, although the labor cost differential is in favor of the Britisher, the output is equalized on account of American conditions and efficiency and energy. [Applause.]

And with the gentleman's permission I want to say that I propose to incorporate in the RECORD as a part of my remarks some reliable tables, as I think, that were submitted during the hearings on this bill, to show the comparative current labor charges in the actual operation of the crews of ships of America as compared with those of some of our chief competitors.

Mr. SNELL. That is what I was interested in, the comparative cost of operation.

Mr. BANKHEAD. I will insert that information, which shows beyond peradventure, as Mr. Lasker has shown here by his own testimony, that there is substantially no differentiation at the present time in the labor charges on American ships and on the ships of our competitors.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. I will yield for a question.

Mr. GRAHAM of Illinois. I have observed some tables in the hearings that showed the comparative cost of operation on American ships and foreign ships in which the cost of labor on account of some additional members of the crew that were required and higher salaries aggregated about twice as much as on the foreign ships. My understanding was that that was the situation. I find that in the hearings offered, I think in the latter part of that second volume, by the proponents of the measure. Is that correct?

Mr. BANKHEAD. I do not know what is involved in all the tables offered by the proponents of the proposition, but I propose to insert in the RECORD some recent and current tables which I think are absolutely accurate and reliable which show that there is absolutely no substantial differential at the present time.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. CHINDBLOM. Are they in the hearings?

Mr. BANKHEAD. Yes; they are in the hearings, of course. All of the tables are in the hearings.

Mr. CHINDBLOM. I mean those that you propose to insert.

Mr. BANKHEAD. Yes. On the question of subsistence, which Mr. Lasker gives as his last element of unfavorable differential, as to the subsistence of the crew of an American ship and that of our competitors, in the first place some of the gentlemen may not know it, but it is a fact that the subsistence schedule upon an American vessel and upon a British vessel, the fare that they give to the men, the amount and volume and quality and quantity of food that is allowed, are not regulated by the whim or caprice of the operator of that ship but they are regulated by statute law. The law of the Congress of the United States fixes the subsistence scale of an American seaman. The British law fixes the subsistence scale of a British seaman.

I make the same observation with reference to the subsistence schedule that I made with reference to labor, that at the present time there is no differential substantially in the subsistence schedule between the American and the British ship.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. I shall be glad to.

Mr. McDUFFIE. Are these tables inserted by operators themselves as to the cost of operating their ships?

Mr. BANKHEAD. The tables which I will insert in the RECORD are copies of the British and American statutes fixing the amount of food, in volume and variety.

Mr. McDUFFIE. That is as to subsistence?

Mr. BANKHEAD. Yes.

Mr. McDUFFIE. But as to other conditions, labor, for instance, I have asked several ship operators, who tell me that it is absolutely impossible to compete with foreign ship operators because of our having to comply with these laws which act to prohibit them from operating on the same cost basis. They say our cost of operation is higher than any other ship operation in the maritime world. What do they mean by saying that? Are they telling the truth, or are they trying to prejudice somebody against the seamen's act?

Mr. BANKHEAD. When they assert that there is any substantial differential, I do not believe that they are accurate in their statement. I do not assert that they are undertaking deliberately to deceive anybody. They may be doing it because of lack of information. It will be borne in mind in this connection that wage and subsistence combined constitute only 12 per cent of the total operating expenses of a ship.

Now, gentlemen, this disposes of all of these elements of opposition as far as the differential is concerned. I may possibly in the extension of my remarks elaborate them just a little.

I was very much astounded at a statement made by the distinguished gentleman from Ohio, Doctor FESS, when he was discussing the rule on this bill yesterday. He advanced an absolutely new and unique theory with reference to this proposed ship subsidy. He said in effect that if anybody was to be subsidized under the terms and provisions of this bill it would be American labor.

The inference that Doctor Fess no doubt sought to leave by that statement was that if anybody benefited by the terms of these subsidies that are to be taken out of the Treasury of the United States, it would be American labor. I presume he meant either those who work in American shipyards or those who operate as crews of American ships. Does any man in this audience, however credulous he may be, for one moment honestly believe that after the operators of these ships have gotten through with their profits and with their bookkeeping manipulation and with their tax returns and all that, they are

going to say, "All we want out of this proposition is to make ourselves whole on the initial cost of the operation, and if there is any profit left over at all we are going to pass it on to the man in overalls who is in our employment and let him receive the benefit of it"? Gentlemen, although that proposition comes from a pretty high and respectable authority, it certainly taxes the credulity of any man who wants to give fair consideration to the effect of this bill. If there are any dividends they will not be distributed through the pay window but from the directors' room. Gentlemen, I assert that there has never been proposed in the American Congress a single piece of legislation that bestowed upon the officials of this Government, just a handful of them, just a little group of executive appointees, such unusual, such extraordinary, and such shocking responsibilities and unlimited discretion as is bestowed by the provisions of this bill.

Mr. CRISP. Will the gentleman yield?

Mr. BANKHEAD. I will be glad to.

Mr. CRISP. I should just like to ask if the seamen will get the benefit of this in the same way that the pottery workers at East Liverpool, Ohio, who are now on strike, are getting the benefits of the Fordney-McCumber tariff bill? Under that bill the rates on pottery were increased from about 30 per cent to 60 per cent. Yet the workers in the potteries in East Liverpool are now on strike.

Mr. BANKHEAD. I imagine just about the same benefits will be bestowed. Do not let the gentleman from Ohio [Mr. FESS] deceive himself about labor in this country. The gentleman from Ohio knows that labor in America is intelligent. He knows that not only in their individual capacity but through their leaders they have men of capacity and of experience and of observation, who are studying these great questions of political economy as reflecting their interests. They are not fools. Does the gentleman from Ohio—who will soon be elevated to a still higher and more eminent position in the Government—believe that the laboring men of America are going to swallow his doctrine that they are the beneficiaries of this unconscionable substitute? If he does, I ask him why it is—

Mr. FESS. Will the gentleman yield? I want to ask him a question.

Mr. BANKHEAD. In just a moment I will yield. If the gentleman thinks that, why is it that the American Federation of Labor, through frequent resolutions of their national body, as well as the committee of the Seamen's Union, who have given more thorough and accurate study to this question than any other labor organization in the country—why is it that all labor organizations in this country—that is, the real labor organizations—are opposed to the substantial provisions and principles of this bill? There is the answer to the gentleman's assertion. Now I yield to the gentleman.

Mr. FESS. The American Federation of Labor thinks very much as the gentleman does, namely, that it wants Government operation and ownership, just as the gentleman wants it. I disagree with both the gentleman and the American Federation of Labor on that. In other words, there is a difference between giving the opportunity for employment and elevating the scale of wages by the possibility of employment rather than by dictation either through Congress or by resolution in the federation. Now, if the gentleman will yield further, the gentleman stated a while ago that there is not the differentiation between the cost of labor in our country and in Great Britain.

Mr. BANKHEAD. No; I did not say that. I said there was a differential.

Mr. FESS. I hold in my hand here—

Mr. BANKHEAD. I can not yield to the gentleman any further. The gentleman can get his own time. I do not want the gentleman to take my time to read a statement, and I hardly think that is fair. I yielded to the gentleman because I had referred to him, but not for the purpose of going into an elaboration of his argument, and for that reason I decline to yield further.

Mr. FESS. The gentleman asked me a question and I want an opportunity to answer it.

Mr. BANKHEAD. I decline to yield further. Not that I fear the substance of the gentleman's statement.

The CHAIRMAN. The gentleman declines to yield.

Mr. GARNER. Let me ask the gentleman from Alabama if he heard the statement of the gentleman from Ohio that the gentleman from Alabama favored Government ownership?

Mr. BANKHEAD. Did the gentleman from Ohio assert that I favored Government ownership?

Mr. GARNER. He did.

Mr. BANKHEAD. The gentleman from Ohio in that certainly made a most unwarranted statement, and he does not reflect my attitude at all on that question. I am absolutely

opposed to any form of permanent Government operation of anything that can be operated by private ownership.

Mr. GARNER. That is just as nearly correct as the gentleman from Ohio gets most of his statements.

Mr. BANKHEAD. Yes, but there might be occasions, and this is one of them, where a little temporary Government operation might be a more valuable expedient than the raid on the Treasury of the United States proposed by the gentleman from Ohio for the special benefit of a few ship operators on the American seaboard. [Laughter and applause.]

I said something about the extraordinary powers. It is an axiom that the power to tax is the power to destroy. Here they propose to take \$52,000,000 out of the Treasury of the United States. That is only partly true, because there are at least \$30,000,000 and probably \$45,000,000 provided you have \$450,000,000 import tariff duties paid at the customhouse—10 per cent of every dollar of the customs does not go into the Treasury of the United States but is turned over to the Shipping Board to pay this subsidy. But from the standpoint of a direct subsidy you know this bill not only provides for the payment of that but also authorizes the Shipping Board in its discretion, without any review in conscience or by any court or any board of appeals—gives to this small group of men in the Government service, in their cloistered quarters on the Potomac Park, the privilege and opportunity not only to pay the ship operators at least \$30,000,000 as a direct subsidy, but if in their judgment they see fit to do so, these seven men can double the amount and make it \$60,000,000. Why, gentlemen, are you on this side, however anxious you are to do a reasonable thing for the promotion of American merchant marine, going to give to that board the strange plenary power to impose that additional burden on the taxpayers of America? I do not say that the Shipping Board is corrupt, I do not charge them here to be men of bad character. I know that they are men whose judgment is fallible on facts and they may honestly be convinced themselves and so assert that this extraordinary extension of power is justified and that they should have the power under this bill of handing over \$30,000,000 in additional benefits to private interests.

Under this bill the Standard Oil Co. will operate their own tankers from the oil wells in Mexico and bring their products into the States. They will operate these tankers carrying their own goods for their own benefit, and under the terms of the bill the Standard Oil Co. will be handed out of the Treasury of the United States every year for 10 years at least the sum of between four and five million dollars, just for the privilege of hauling their own stuff in their own tanks.

Mr. J. M. NELSON. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. J. M. NELSON. Originally it was required that there should be one-third for the public service. Why was that cut out?

Mr. BANKHEAD. Because I asked the vice president of the oil company if he did not recognize that that was a pure subterfuge and if they had better not eliminate that from the bill and say that they were giving a pure subsidy. He said he thought so, and so we eliminated that subterfuge and piece of hypocrisy from the bill, and it now stands in the record and in the bill as a naked raid on the Treasury of the United States, to be handed over to the Standard Oil Co. for the purpose of carrying its own products and increasing its already enormously swollen profits.

The Steel Trust is in the same situation. The United Fruit Co., with its great line of steamers, sailing from the Tropics of South America, bringing fruit to sell to American consumers, at the end of the year will come up to the Treasury and say, "We have had so many tons and run so many miles, and now hand us as an additional Christmas present this sum of money out of the Treasury of the United States." [Laughter and applause.]

Gentlemen, you can not deny these figures. The gentleman from Pennsylvania made a statement with reference to it, and that is the reason I asked the question. I wanted to rivet it in the RECORD for the observation of the American people that that is one of the innumerable and unjustifiable propositions in this piece of legislation. Who is to foot the bill in the long run? It comes from the common, plain people of this country. If there is one cry that comes from those plain people to the Congress of the United States, it is to give them some relief from the exorbitant taxation.

Oh, yes; you exempt the laboring man, if he is married, to the extent of \$2,000 in the income tax and of a small pittance in addition if he has children. What do you do for this favored small group of American citizens? You say we will go down to Alabama or up to Michigan, go into the forge and the

blacksmith shop, and where the man is earning a little above the exemption make him put it in the Treasury of the United States, and say to these big fellows, "You don't have to pay any income tax at all on your earnings provided you fly the American flag." You give them the ships in the first instance, or you sell to them for less than 10 per cent of what they cost, bestow this splendid governmental property on them, hand it over to them for a negligible price, practically nothing, a little of what they cost the American taxpayer, and say to them, "If you have not got the money to pay it, we will extend credit for 15 years, let you wear the ship out in your trade, and keep that as the only security, and if you want to let the ship go on the rocks or turn it back, all right, you have had 15 years' operation." That is one of the unrestricted powers given to the Shipping Board—exemptions, special privileges, possibilities of favoritism—and the bill contains throughout innumerable instances of that kind.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. RANKIN. I understood the gentleman from Massachusetts [Mr. GREENE] to say in his opening argument this morning that the Federation of Farm Bureau Organizations had favored this bill. Did the gentleman notice a resolution inserted in the RECORD yesterday by Senator FLETCHER, from the National Board of Farm Organizations, unalterably condemning this measure?

Mr. BANKHEAD. I did. My attention was called to that. The resolution is dated Washington, D. C., October 19, 1922, and is passed by the National Board of Farm Organizations on that date. It has this assertion:

SHIP SUBSIDY OPPOSED BY NATIONAL BOARD OF FARM ORGANIZATIONS.

Ship subsidy in general and ship subsidy in particular as embodied in the Jones-Greene bill H. R. 12021 are emphatically opposed by the National Board of Farm Organizations.

Clear-cut opposition to the ship subsidy bill is expressed in the resolution adopted by the semiannual conference of the National Board of Farm Organizations, held at its headquarters, 1731 I Street NW., Washington, D. C., October 11-13. The resolution reads as follows:

"Whereas it is apparent that the question of granting subsidies to our merchant shipping will soon be brought to a vote in Congress; and

"Whereas the farmers of the United States have been traditionally opposed to the granting of such subsidies; and

"Whereas the plan embodied in the Jones-Greene bill, which is now under consideration, contains many provisions that are extremely objectionable and would, in our opinion, be detrimental to the best interest of the country as a whole, if enacted; Therefore be it

Resolved, That this body record an emphatic protest against the passage of this proposed legislation."

Mr. J. M. NELSON. Mr. Chairman, the gentleman does not want to mislead anyone. That is the farm organization and not Mr. Howard's bureau.

Mr. BANKHEAD. No; this is the farm organization.

Mr. J. M. NELSON. Mr. GREENE merely stated that Mr. Howard, of the Federal Farm Bureau, appeared before the committee.

Mr. GREENE of Massachusetts. Mr. Howard, of the Federal Farm Bureau, testified before the committee.

Mr. BANKHEAD. I know that Mr. Howard, the president of the Federal Farm Bureau, appeared before the committee, and in a very thoughtless moment undertook to advocate this bill, and I say this with all justice to Mr. Howard, because I admire his ability. However, I call the attention of the gentleman from Massachusetts and of this body to the fact that frequently during the course of his cross-examination before that committee Mr. Howard asserted that the organization which he represented was fundamentally and absolutely opposed to any direct subsidy of ships or anything else, and he went further and said that in principle his organization was absolutely opposed to the granting of any exemptions from the payment of taxes. In other words, he said that his organization on principle was opposed to a subsidy of any sort, and I have no doubt, as the gentleman from Wisconsin well said this morning, that 99 per cent of the real active farmers of America, who have given any consideration to this proposition, if they were here would register their eternal protests against the provisions of this bill.

I wish I had the opportunity at this time to suggest an alternative proposition to this measure. I may have time under the 5-minute debate, and if I get 10 minutes I shall try to suggest something as a substitute for this proposition. This bill as now presented to the Congress of the United States is fundamentally wrong in principle. I am unwilling to have the party to which I belong placed in the false attitude that because we oppose this particular bill we are, therefore, opposed to the establishment and maintenance of a successful merchant marine. The State from which I come has a great port on the Gulf and great resources of raw material and manufactured products contributory to that port. The people of the great Mississippi Valley are interested in a merchant marine.

The members of my party have always stood for the development of the American merchant marine, and the truth of the business is that the greatest merchant marine America ever had, the most successful, was built up under Democratic administrations. We are not opposed to rendering reasonable assistance, but we are—I am at least—unalterably opposed to the principle of "robbing Peter to pay Paul," and that is what is involved in this proposition.

I am opposed to the proposition of saying to every taxpayer in America, except these few, that out of their labor and energy and toil there shall be taken anywhere from fifty to one hundred million dollars a year, to be handed over to some 50 or 60 private operators and corporations in this country. I believe that that principle is violative of sound ethics. I believe it to be absolutely immoral from the standpoint of political philosophy, and I trust that upon calm reflection the Congress of the United States may not by specious appeal be led into the blunder of enacting this intolerable piece of legislation. [Applause on the Democratic side.]

The tables with reference to the various wage scales referred to follow. This report was published at the time for the use of the Senate Committee on Commerce. It is recited in this article that the investigation and inspection service of the Department of Labor conducted an extensive investigation to ascertain the relative wages paid to seamen on American vessels and on foreign vessels trading in American ports. They examined the ship's articles of the various ships so that their information is absolutely reliable. I quote from the article as follows:

The investigation shows that a decided increase took place in seamen's wages everywhere after the enforcement of the seamen's act.

On March 4, 1915, Congress passed the seamen's act, the main purposes of which were to equalize wages on all ships entering or leaving American ports and to make conditions aboard ship such that Americans would again take to the sea in great numbers.

About the time of the passage of the seamen's act, seamen's wages in New York differed from those in foreign ports as follows: Seamen's wages in New York were about 20 per cent higher than wages paid in Liverpool; about 22.5 per cent higher than in the North Sea or the Atlantic ports on the Continent of Europe; about 30 per cent higher than wages paid in the Inner Mediterranean or Baltic.

Everybody agreed that wages had to be equalized, but in what direction? Should Congress follow the old idea of lowering wages to the lower foreign standard? This had caused and would continue to cause our men to abandon the sea. Or should Congress adopt measures to raise the wages of all maritime nations to the higher American standard? The latter course was wisely adopted and soon proved the contentions of its champions.

MONTHLY WAGES OF SEAMEN AND FIREMEN ON AMERICAN AND FOREIGN VESSELS.

Beginning July, 1916, the seamen's act became operative on all foreign vessels. In the second half of 1915, the year in which the act was passed, wages paid seamen and firemen on ships clearing from New York had been, as far as available, as follows:

Wages paid seamen and firemen on vessels clearing from New York in 1915.

Nationality.	Date.	Seamen.	Firemen.
	1915.		
American.....	June 30.....	\$29.70	\$39.34
British.....	July.....	30.00	40.00
Dutch.....	November.....	28.20	32.99
Danish.....	December.....	30.00	35.00
Swedish.....	November.....	20.25	22.95

¹ 93 ships.
² 90 ships.

³ Union scale.
⁴ \$6.75 bonus on round trip.

In 1916, the year in which the act became operative on all foreign ships, the tendency to pay the American wage immediately became apparent, as the following table illustrates:

Wages paid seamen and firemen on American and foreign vessels in 1916.

Nationality.	Date.	Seamen.	Firemen.
	1916.		
American.....	June 30.....	\$45.00	\$50.00
.....do.....	.....do.....	43.88	48.95
British.....	March.....	30.00	35.00
.....do.....	July.....	45.00	50.00
Dutch.....	.....do.....	45.00	50.00
Danish.....	June.....	45.00	45.00
.....do.....	July.....	45.00	50.00
Swedish.....	.....do.....	20.25	22.95
French.....	November.....	19.30	25.09

¹ Union scale.
² 93 ships.
³ 92 ships.

⁴ Plus bonus of \$9.45.
⁵ Plus bonus of \$3.86.

The high cost of living and the increased perils of submarine warfare brought about substantial increases in the year 1917 for both seamen and firemen and resulted in their wages being equalized, first on American vessels and later, especially in 1918, on practically all foreign ships as well. In addition to the regular increase in wages American shipowners paid bonuses ranging from 25 per cent to more than 100 per cent. Thus the American rate again led, but foreign

rates soon adjusted themselves, so that at the end of 1918 the rates were practically equalized, with the exception of the French. This exception is due to the fact that the French merchant marine is controlled by the French Government and manned through the "inscription maritime." The following table shows the continued process of equalization in 1917 and 1918:

Wages paid seamen and firemen on American and foreign vessels in 1917 and 1918.

Nationality.	Date.	Seamen.	Firemen.
1917.			
American	June 30.....	\$57.58	\$60.55
.....do.....	.....	60.00	60.00
.....do.....	Aug. 1.....	60.00	60.00
English	April.....	45.00	50.00
Dutch	October.....	55.92	58.40
.....do.....	March.....	65.00	70.00
Danish	.....do.....	45.00	50.00
Swedish	May.....	56.00-60.00	60.00
.....do.....	November.....	20.25	22.95
French	August.....	21.23	27.02
1918.			
American	May.....	75.00	75.00
British	October.....	55.92	58.40
Dutch	February.....	60.00	60.00
.....do.....	November.....	70.00	70.00-75.00
Danish	October.....	75.00	75.00
Swedish	March.....	20.25	22.95
.....do.....	December.....	75.00	75.00
Norwegian	.....do.....	75.00	75.00
French	May.....	27.98	33.78

- ¹ 93 ships.
- ² 92 ships.
- ³ Union scale.
- ⁴ Shipping Board scale.
- ⁵ Plus 50 per cent bonus.
- ⁶ Plus \$27 bonus.
- ⁷ Plus \$3.86 bonus.
- ⁸ Plus 50 per cent bonus in war zone.
- ⁹ Plus \$14.60 bonus in war zone.
- ¹⁰ Plus \$2.90 bonus.

The signing of the armistice brought about more definiteness and regularity in the wage rates. Bonuses had varied from month to month and even from ship to ship, depending upon the nature of the cargo and the length of the voyage, as well as the destination. In order to ascertain whether the equalization was artificial or only temporary, a survey was made between January 15 and February 15 of wages paid on foreign vessels leaving New York within that time, the result of which was that the American rate seems to have become the standard rate.

The following ships paid the American rate of wages—that is, \$75—for both seamen and firemen: American, Canadian, Danish, Dutch, Norwegian, Russian, Swedish. Belgian ships paid \$70.56 for seamen and \$73 for firemen. One Greek ship paid the flat rate of \$70, while a Spanish ship paid \$40. The French rate had not advanced beyond the rate fixed in May, 1918, namely, \$30.88 for seamen and \$36.68 for firemen. Lowest of all were the rates paid on Japanese ships. Although almost twice as high as those paid on the Pacific, the Atlantic rates were only 40 yen (about \$20) for both seamen and firemen. A tabulation of these figures brings out the results more clearly.

Wages paid seamen and firemen on American and foreign vessels in spring of 1919.

Nationality.	Seamen.	Firemen.	Nationality.	Seamen.	Firemen.
American	\$75.00	\$75.00	Greek	\$70.00	\$70.00
Belgian	70.56	73.00	Japanese	20.00	20.00
British	70.00	73.00	Norwegian	75.00	75.00
Canadian	75.00	75.00	Russian	75.00	75.00
Danish	75.00	75.00	Swedish	75.00	75.00
Dutch	75.00	75.00	Spanish	40.00	40.00
French	30.88	36.88			

¹ This rate has since been advanced. See pp. 133 and 134 of this issue of the Review.
² Including bonus.
³ Cf. also table on p. 146 of this issue of the Review.

A number of Scandinavian ships were paying their seamen and firemen 75 krona (\$20.10) per month. A Norwegian captain who was interrogated explained that this was the rate paid by the Scandinavian ships in Scandinavian ports, but that bonuses had to be added to this, bringing the total pay up to 300 krona, or \$80.40 in American money. Instead of paying the high bonuses they preferred paying the American flat rate of \$75.

WAGES AND MANNING OF AMERICAN SHIPS IN COMPETITION WITH FOREIGN VESSELS.

(By Andrew Furuseth.)

Comparative study of wages and manning on American ships and foreign ships of the same tonnage and class reveals the following facts:

1. American seamen's wages have been deflated more violently than those of any other nation.

While American seamen have had their wages reduced by amounts ranging from \$20 to \$40 per month (27 to 53 per cent), the wages of Japanese seamen have been increased 45 per cent, the wages of Australian seamen increased by 9 per cent, and the wages of Chinese increased by an amount not yet accurately reported.

2. As a result of these reductions the wages of American seamen are now much lower than the wages of Canadian and Australian seamen; are practically on a level with British wages; and are substantially higher than the wages only of Japanese among the principal maritime nations.

3. The size of American crews has been reduced by the order of the Shipping Board, effective December 10, 1921, to such an extent that American crews on vessels of the same class and tonnage are now 23 per cent smaller than British crews and 70 per cent smaller than Japanese crews.

4. The reduction of the size of American crews under the Shipping Board's order has been particularly drastic as regards the number of able and ordinary seamen who are essential to the safe and efficient operation of the vessels.

5. As a result of this drastic reduction in the number of seamen the actual monthly wage cost of seamen upon a British ship is now 54 per cent higher than upon an American Shipping Board vessel of the same class and tonnage.

6. The only real advantage in wages or salaries which the British shipowner now enjoys as compared with the American is in the lower salaries paid deck and engineer officers.

Taking an American and British vessel of the same class and tonnage, the monthly salaries of officers (exclusive of master) on the British vessel will be \$801.90, as compared with \$1,080 on the United States Shipping Board scale. The monthly wages of the balance of the crew are as follows: British, \$1,568.61; American, \$1,342.

Thus, while the total monthly salary cost of officers (exclusive of master) on the British vessel is \$278.10 lower than on the American vessel manned according to the Shipping Board scale, the monthly wage cost of the crew is \$226.61 higher on the British vessel.

If the crew on the American vessel is paid the lower scale of the American Steamship Owners' Association, the difference becomes more marked. The salaries of officers (exclusive of master) on the British ship are then \$228.10 lower than on the American privately owned vessel, but the wages of the British crew are \$403.61 higher.

7. The present policies of the United States Shipping Board and American private owners as regards manning and wages are dangerous to safety of life and vessels, inimical to operating efficiency, and destructive of the American merchant marine.

Evidence in support of above conclusions: The data upon which the following study of wages and manning on American ships, as compared with foreign vessels, is based are derived from authentic sources. The statements with regard to American wages are based upon the wage scales authorized and put into effect by the United States Shipping Board, the American Steamship Owners' Association, and the Steamship Owners' Association of the Pacific coast. The statements regarding seamen actually employed at wages below the above-mentioned scales are based upon affidavits of men so employed and first-hand statements of men who investigated the particular cases cited. The statements with regard to British wages are taken from the agreement entered into between the British Shipping Federation and the British maritime unions, due allowance being made in each case for the reductions of 30s., effective March 1, 1922. The statements with regard to Japanese wages are based upon the statement of the manager of one of the largest Japanese steamship companies. The statements regarding manning are derived from official orders promulgated by the United States Shipping Board, from the original articles of ships sailing in the British and American trade, and from an article published in the Pacific Marine Review (a shipowners' journal).

American seamen's wages have been deflated more violently than those of any other nation; American shipowners, including both the United States Shipping Board and the private owners, have led the world in forcing drastic reductions of seamen's wages. This is true, not only as regards the amount of the reductions, but also the time at which reductions took place.

After the passage of the American seamen's act and throughout the entire period of the war the wages of American seamen rose steadily, and the wages of other nations followed until they were practically equalized during the war period. The following extracts from an official report of the investigation and inspection service of the United States Department of Labor gives a brief and authentic report of the course of wages during this period:

"The high cost of living and the increased perils of submarine warfare brought about substantial increases in the year 1917 for both seamen and firemen and resulted in their wages being equalized, first on American vessels and later, especially in 1918, on practically all foreign ships as well. * * * The American rate led the pace, and foreign rates soon adjusted themselves so that at the end of 1918 the rates were practically equalized with the exception of the French. This exception is due to the fact that the French merchant marine was controlled by the French Government and manned through the 'inscription maritime.' * * * The signing of the armistice brought about more definiteness and regularity in the wage rates. * * * The following ships paid the American rate of wages—that is, \$75, for both seamen and firemen (January, 1919): American, Canadian, Danish, Dutch, Norwegian, Russian, Swedish; Belgium and British paid the British rate of \$70.56 for seamen and \$73 for firemen."

In the spring of 1919 the American rate of wages was made \$85 for sailors and firemen on the Atlantic and \$90 on the Pacific. This was renewed in 1920. The seamen did not ask for more wages, but for regulation of working hours and recognition. After a lockout lasting about 20 days the shipowners refused recognition but gave the advance in wages.

In the spring of 1921 the United States Shipping Board and the private owners of the United States initiated reductions in the wages and working conditions of American seamen. They not only abolished payment for overtime, but reduced the wages of all classes of employees upon American ships. The British shipowners at about the same time attempted to reduce the wages of British seamen, but their efforts were resisted by the British maritime organizations. The shipowners demanded a reduction of £4 10s. (\$21.87), but agreed to a reduction of only £2 10s. (\$12.15), and did not abolish the payment for overtime. On March 1, 1922, after the American wage cuts were made, the British put into effect a further uniform reduction of 30s. (\$7.30) in the wages of all classes of men employed on their ships.

In the meantime, however, the American private owners and the United States Shipping Board had made a further reduction in the wages of American seamen, effective at different dates in January and February, 1922. The Shipping Board had also greatly increased the amount of work imposed upon the men who man its vessels by reducing the size of the standard crew in December, 1921, a matter to which reference will be made hereafter. Furthermore, a large number of American vessels, including both privately owned ships and vessels of the United States Shipping Board, are not paying even the greatly reduced wages provided in these scales, but are hiring seamen at the lowest rate at which men driven by hunger and unemployment will agree to ship. Able seamen are now being hired for service in the Atlantic trade at rates ranging as low as \$25 per month.

They are not doing it. When I speak of the Shipping Board not paying it, I mean particularly the vessels belonging to the Shipping Board that are chartered on bare-boat basis; in other words, what is called bare-boat charter.

While the British and American owners were thus reducing wages of seamen, the wages of Japanese and Australian seamen were increased. The increase in Australian wages was made by the Federal Arbitration Board on December 22, 1921, after extensive hearings, and the Commonwealth Steamship Owners' Federation agreed to put the award

into operation automatically. This award provided "for increases of 26s. 8d. (\$6.42) per month for all ratings." The increase in Japanese wages has taken place as a result of the organization of the Japanese seamen. The last increase secured by the Japanese amounted to 27 per cent. The total increase since 1919 in Japanese wages amounts to approximately 45 per cent. The wages of Chinese seamen have also been increased as a result of a great strike, which has just been settled, but the newspaper dispatches of March 24, 1922, while stating that the strike was settled by increases granted by an arbitration board, do not mention the amount of the increase. They do show, however, that the Chinese seamen's union was accorded recognition, which American shipowners now refuse to grant to the American seamen's union.

The total effects of these reductions in wages which have taken place since 1920 are summarized in the following table:

Comparison of reductions since 1920 of seamen's wages.

	1920 rates.	Present rates.	Amount of reduction.
American:			
Shipping Board scale.....	\$85.00	\$55.00	\$30.00
Atlantic coast owners' scale.....	85.00	47.50	37.50
Pacific coast owners' scale.....	90.00	65.00	25.00
Actually paid—Atlantic.....	85.00	35.00	50.00
British agreement.....	70.56	51.09	19.47
Japanese.....	20.00	29.00	9.00

¹ Decrease. ² Increase.

The wages of American seamen are now much lower than the wages of Canadian and Australian seamen; are practically on a level with British wages; and are substantially higher than the wages only of Japanese among the principal maritime nations. The wages paid able seamen and firemen on American, British, and Japanese ships at the present time (March, 1922) are set forth in the following table:

Able seamen and firemen, comparison of present wages.

	Able seamen.	Firemen.
American:		
Nominal scale—		
U. S. Shipping Board.....	\$55.00	\$57.50
American Steamship Owners' Association.....	47.50	50.00
Pacific Coast Owners' Association.....	65.00	65.00
Actual wages paid on Atlantic coast.....	30.00-40.00	35.00-45.00
British ¹	51.09	53.57
Japanese.....	28.50-29.00	28.50-29.50

¹ Scale fixed by agreement between British Shipping Federation and unions.

It will be noted that in the above table reference is made to the "nominal scales" paid by the United States Shipping Board and the shipowners' associations. This arises out of the fact that none of these scales are actually binding upon the shipowners, inasmuch as they are not made by agreement with the seamen's union, but are merely published by the board and by the associations. There is no power to enforce them.

As a matter of fact, the ships, particularly in the Atlantic trade, are paying wages far less than the scale. For example, on February 18 the steamship *Castleton* (3,328 tons), owned by the United States Shipping Board and operated by the Munson Line, shipped six able seamen from Norfolk for Cuba at \$40 per month, or \$15 less than the Shipping Board scale. The steamship *Osage* (7,800 tons), owned by Moore & McCormick, shipped able seamen from New Orleans for the Pacific coast at wages of \$30 per month. The steamship *Rajah* (2,300 tons), operated by W. H. Cowley, of New Orleans, trading between Mexico and New Orleans, shipped able seamen at a rate of \$35 per month. The steamship *Mariana*, of the Porto Rican Line, sailed from Norfolk to the West Indies February 22, 1922, with able seamen hired at a rate of \$30 per month. Additional statements with regard to a large number of vessels are available showing the employment of able seamen at rates ranging from \$25 to \$45 per month.

It should be noted that both Canadian and Australian wages are higher than any of the scales specified above for American seamen. The wages of Canadian seamen were reduced on February 1, 1922, \$10 a month, but still remain higher than the wages of American seamen. There are three classes of Canadian seamen. The first class now receive \$75 per month, the second class \$70 per month, and the third class \$65 per month. The wages of Australian seamen are now the highest paid anywhere in the world as a result of the award of the Federal Arbitration Board of December 22, 1921, which was accepted by the Australian shipowners. Able seamen on Australian ships now receive \$77.11 per month, and firemen receive \$86.85.

The compensation received by British seamen is actually larger than the amounts shown in the table, inasmuch as they are entitled to benefits for unemployment, sickness, and accident, which American seamen do not enjoy, and which add materially to the compensation of British sailors. Even more important is the fact that British seamen, as well as Canadian and Australian, are given extra compensation for overtime, which has been abolished on every American ship.

Information regarding the present wages of Danish, Norwegian, and Swedish sailors is not included above, inasmuch as the rates paid on vessels of these nations are now in process of readjustment, and accurate information is not available. According to the latest accurate reports, however, covering the last half of the year 1921, the wages of seamen in these countries were higher than American wages.

The situation as regards American seamen's wages is conservatively stated in an article entitled "Equalizing seamen's wages," published in the *Annalist*, a New York financial journal, March 6, 1922, from which the following is quoted:

"Wages paid American seamen have been cited for years as the final proof that it costs more to operate a ship under the American flag than under a foreign flag. Probably no more misleading fact could be presented for proof of the case, as wages are not the final arbiter of Ameri-

can ship costs. In the first place, wages represent probably not more than 7 per cent of the total cost of operating ships (probably 15 per cent of the total cost in the case of luxurious passenger lines, where the number of servants supplied is considerably augmented). Secondly, American crews are no larger than the crews of many foreign ships, and, finally, the wage to-day paid a licensed American seaman is practically on a par with the British wage."

American crews on vessels of the same class and tonnage are now 23 per cent smaller than British crews and 70 per cent smaller than Japanese crews.

The United States Shipping Board has taken the initiative in reducing the size of the crews carried by American vessels, and as a result American ships to-day are greatly undermanned as compared with the vessels of all other nations.

The following table shows in detail the difference in number of unlicensed members of the crew required to man 8,800 dead-weight ton coal-burning cargo ships under various flags. The crew specified for the American ship is taken from the order of the United States Shipping Board on "normal manning requirement," effective December 10, 1921. The figures for the other nations are taken from an article published in the *Pacific Marine Review* (a shipowners' journal) for January, 1921, page 38. A study of the crews actually carried by British and Japanese ships indicates that the crews specified in this article are actually much smaller than the number normally carried.

American:

Deck department—	
Carpenter-boatswain.....	1
Able seamen.....	6
Ordinary seamen.....	2
Total.....	9

Engine department—	
Oilers.....	3
Firemen.....	9
Coal passers.....	3
Total.....	15

Steward department—	
Chief steward.....	1
Chief cook.....	1
Second cook.....	1
Messboys.....	3
Total.....	6

Total of unlicensed crew of American..... 30

British:

Deck department—	
Carpenter.....	1
Boatswain.....	1
Able seamen.....	10
Ordinary seamen.....	2
Total.....	14

Engine department—	
Deck engineer.....	1
Storekeeper.....	1
Oilers.....	3
Firemen.....	8
Coal passers.....	4
Total.....	17

Steward department—	
Chief steward.....	1
Chief cook.....	1
Second cook.....	1
Utility man.....	1
Messenger.....	1
Messboy.....	1
Total.....	6

Total of unlicensed crew of British..... 37

Japanese:

Deck department—	
Quartermaster.....	3
Carpenter.....	1
Boatswain.....	1
Able seamen.....	6
Ordinary seamen.....	6
Total.....	17

Engine department—	
Deck engineer.....	1
Storekeeper.....	1
Oilers.....	6
Firemen.....	12
Coal passers.....	8
Total.....	28

Steward department—	
Chief steward.....	1
Chief cook.....	1
Second cook.....	1
Messengers.....	3
Total.....	6

Total of unlicensed crew of Japanese..... 51

For a vessel of the same size, therefore, the British ship will carry in its unlicensed crew seven men more than the American ship. This is an increase of 23 per cent. The Japanese ship will carry 21 men more, or an increase of 70 per cent.

As a matter of fact, the difference in the size of the total crew will actually be still larger, inasmuch as the British ship will carry at least one more deck officer than the American ship.

The reduction of the size of American crews under the Shipping Board's order has been particularly drastic as regards the number of able and ordinary seamen, who are essential to the safe and efficient operation of the vessels.

The reductions which have been made by order of the United States Shipping Board in the size of American crews have been directed primarily at the deck and engine departments, which are obviously the two departments most essential to the safety and efficiency of the vessel. In order to show this clearly, the following brief table has been prepared:

Comparison of unlicensed crew required to man an 8,800 dead-weight-ton coal-burning cargo ship under various flags.

[American figures official from regulations of United States Shipping Board December 10, 1921; other countries from Pacific Marine Review, January, 1921.]

	Total unlicensed crew.	Deck department.	Engine department.	Steward department.
American.....	30	9	15	6
British.....	37	14	17	6
Japanese.....	51	17	28	6

It will be seen that the deck department of the British ship contains 55 per cent more unlicensed men than the American ship, while the Japanese ship contains 89 per cent more. The British engine-room crew, it is true, is only a little larger than the American, but the Japanese engine-room crew is nearly twice as large. The steward department, which has nothing directly to do with the efficiency of the vessel, is of the same size under all three flags.

The actual monthly wage cost of seamen upon a British ship is now 54 per cent higher than upon an American Shipping Board vessel of the same class and tonnage. This, of course, takes into consideration the difference in the manning of the vessels and the wage cost is calculated according to that.

The seamen are the real source of sea power and maritime supremacy. Every great maritime nation knows this. It is the seamen who are responsible for the efficient navigation and safe conduct of the vessel. They are also the basis of naval power, since every navy must, in the last analysis, be recruited from its merchant marine.

It is for this reason that the British, who have had centuries of experience upon the sea, and who are long-headed enough to know how to maintain maritime supremacy, have refused to cut the number of able seamen who man their vessels, in spite of the great temptation of greater immediate profits through undermanning.

The following table compares the cost of the seamen actually carried by the British steamship *Carrigan Head* and the manning for the same vessel prescribed by the United States Shipping Board:

	British.			American.		
	Number carried.	Monthly wages.	Total cost.	Number carried.	Monthly wages.	Total cost.
A. B. and lamps.....	1	\$53.46	\$53.46	.....	.....	.....
A. B. seamen.....	7	51.03	357.21	4	\$55.00	\$222
Ordinary seamen.....	2	27.96	55.92	2	40.00	80
Total.....	10	.....	466.59	6	.....	302

Mr. HARDY. That is the deck crew?

Mr. FURUSETH. That is the deck crew, sir.

Although the British scale for individual seamen is a little lower than the Shipping Board scale, the cost of seamen under British manning is actually \$164.59 per month (54 per cent) higher than the American cost.

There is no doubt whatever that the apparent saving for American shipowners through this arbitrary reduction in the number of seamen carried is more than compensated for by inefficient operation and by constant repairs, due to the inability of so small a crew to maintain the upkeep of the vessel while it is at sea.

The only real advantage in wages or salaries which the British shipowner now enjoys as compared with the American is in the lower salaries paid deck and engineer officers. In order to make possible an exact comparison of the manning and wages of British and American vessels under present conditions, a transcript of the articles of the British steamship *Carrigan Head* was secured, showing the number of men carried and the wages paid to each man.

The following table compares the manning and wage cost of this vessel under British and American conditions:

	British.		American.	
	Number carried.	Total monthly wages.	Number carried.	Total monthly wages.
Master.....	1	.....	1	.....
First mate.....	1	\$109.35	1	\$160
Second mate.....	1	94.77	1	140
Third mate.....	1	77.76	1	125

	British.		American.	
	Number carried.	Total monthly wages.	Number carried.	At scale of American Steamship Owners' Association.
Fourth mate.....	1	\$72.90	0	.....
Carpenter.....	1	63.18	1	\$70
Boatswain.....	1	58.32	1	70
Able-bodied and lamps.....	1	53.46	0	.....
Able-bodied seamen.....	7	357.21	4	222
Ordinary seamen.....	2	55.92	2	80
Chief engineer.....	1	160.38	1	230
First engineer.....	1	116.64	1	160
Second engineer.....	1	92.34	1	140
Third engineer.....	1	77.76	1	125
Storekeeper.....	1	58.32	0	.....
Donkeyman.....	1	58.32	0	.....
Greaser.....	1	55.89	0	.....
Oilier.....	0	.....	3	195
Firemen.....	9	481.14	6	345
Coal passers.....	0	.....	3	150
Chief steward.....	1	72.90	0	.....
Second steward.....	1	47.40	0	.....
Messroom steward.....	1	48.17	0	.....
Assistant steward.....	1	43.74	0	.....
Ship's cook.....	1	68.04	0	.....
Cook and steward.....	0	.....	1	105
Second cook.....	1	48.60	1	70
Mass boys.....	0	.....	3	105
Total.....	39	2,370.51	32	2,422

1 Not provided for in American Steamship Owners' Association scale, but given top rate paid by Shipping Board.

Mr. GREENE of Massachusetts. Mr. Chairman, I ask unanimous consent that all those who have spoken or who will speak on this measure be granted leave to extend and revise their remarks in the Record.

The CHAIRMAN. The gentleman will have to make that request in the House.

Mr. GREENE of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. WATSON].

Mr. WATSON. Mr. Chairman, no act since the armistice that has been placed upon the statute books in favor of constructive legislation will strengthen the power and wealth of the Republic and add to its influence over the nations of the world as the enactment of the present bill. America has the favored location on the globe. Its climatic and scenic conditions give an impulse to inspire its people for personal independence and political power. After the World War we suddenly became the foremost of all nations. America is the hope of the world for future peace. England, the greatest nation of modern times, has through its policies accomplished more than any other country in civilizing the world. It did it by a merchant marine. Balfour, one of the most devoted Englishmen, and who loves his country, upon leaving the shores of America for home after the peace conference, said: "Up to this time we called ourselves equal, but no longer, America leads the world."

The shore line of the United States, not including outlying territories, is 21,862 miles, with harbors and ports unexcelled. These natural advantages are open to all maritime countries, and thus we allow the most important factor tending to strengthen the power of our country to lie idle, and to permit that energy to benefit foreign countries, enlarging their wealth and influence in opposition to that of America. I can not conceive an American, wherever he may live or whatever his political mind, opposing the building of a merchant marine which must inure to the prosperity of his country.

The Congress deemed it wise to pass a bill known as "the seamen's act," which should be commended as humane legislation. This law, however, combined with the pay given to the American seamen, prevents the maintenance and expansion of foreign trade of the United States by the ownership and operation of privately owned vessels except through financial assistance by the Government. Shall we command in part the ocean transportation? We can not under the present laws; we can not without Government aid; we can not unless Congress passes such laws as will enable American citizens to operate vessels at least at a reasonable profit. We have a Navy to protect our coasts. It would be greatly weakened in time of war without merchant ships as auxiliaries. In the early history of railroads the Government rendered aid to railroad com-

panies to enable them to build extensions in the far West that had not been developed and where the country was almost uninhabited. This policy has put millions upon millions in the United States Treasury. Federal financial support has not been unknown in the history of our Republic. Excessive sums were paid to vessels for transporting the United States mails, which in fact was a subsidy, and under this plan a large American fleet was established. We need American vessels to carry American commodities to every port of the world. It cost the taxpayers \$3,000,000,000 to build vessels under the power given to the United States Emergency Fleet Corporation. This one item represents nearly three times as much as was expended in operating the Government the year previous to the war.

We have about 338 steel vessels in service, 40 in temporary service, and 997 tied to the docks. It cost the Government \$50,000,000 yearly to operate them, and over \$11,000,000 have been paid for repairs, and those at anchor are fast depreciating. If we fail to pass this bill the American fleet will be almost a total loss. Two hundred and twenty-seven wooden vessels, costing over \$300,000,000—and of this number 217 were sold the other day for \$700,000—to be scrapped. To place all the American fleet in service and to keep it in operation under this bill will require about \$20,000,000, less than one-half now appropriated to keep 338 vessels commercially afloat.

The opponents argue that this bill is a selfish one, rendering Government aid only for the benefit of private shipping interests. I am not in accord with this statement, as I believe the bill, when it becomes law, will be in the interest of every American citizen. All new constructive acts can not be perfected or completed in their legislative features, but this measure meets the condition of the times and future legislation will amend wherein this bill is deficient. Every dollar paid for passengers and freight to foreign vessels benefits the country where the vessel is registered. Why should America pay millions and millions of dollars yearly in interest of foreign merchant marine instead of encouraging transportation in American-flag ships?

The World War brought us nearer to all nations, and when we conscripted our boys to fight side by side with our allies for a common cause we accepted foreign responsibilities and the entanglements arising therefrom. What may be a grave national question will be an international one for all, and America can not withdraw from its duty. To hold the position we now enjoy and to protect our commercial interests we must not lessen our power; rather, augment it with a superior merchant marine, that ships carrying the American flag will control the commerce of the seas and that American goods will be consigned only to American vessels. [Applause.]

Mr. GREENE of Massachusetts. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 12817 and had come to no resolution thereon.

RESIGNATION FROM A COMMITTEE.

The SPEAKER laid before the House the following communication:

NOVEMBER 23, 1922.

Hon. FREDERICK H. GILLET,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Invalid Pensions.

Yours sincerely,

EWIN L. DAVIS.

COMMITTEE ELECTIONS.

Mr. GARNER. Mr. Speaker, I offer the following resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 450.

Resolved, That CHARLES L. ABERNETHY, Member of Congress from the third district of North Carolina, be, and he is hereby, elected a member of the standing committees of the House on Coinage, Weights, and Measures; the Territories; and Expenditures in the Navy Department; and

That CLARENCE W. TURNER, Member of Congress from the seventh district of Tennessee, be, and he is hereby, elected a member of the Committees on Insular Affairs and Invalid Pensions.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE TO FILE MINORITY VIEWS.

Mr. BOX. Mr. Speaker, I ask unanimous consent that the minority have leave to file minority views on the bill for the relief of Louis Leavitt, the exact number of which I do not recall at the moment.

The SPEAKER. What committee?

Mr. BOX. The Committee on Claims.

The SPEAKER. The gentleman from Texas asks unanimous consent that the minority of the Committee on Claims have, how much time?

Mr. BOX. To-morrow.

The SPEAKER. To file their views on the bill referred to. Is there objection? [After a pause.] The Chair hears none.

REFERENCE OF PRESIDENT'S MESSAGE.

Mr. MONDELL. Mr. Speaker, I move the reference of the President's message of Tuesday to the Committee of the Whole House on the state of the Union.

The question was taken, and the motion was agreed to.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that the President's message may be printed as a House document.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

HOUR OF MEETING TO-MORROW.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until to-morrow, Friday, November 24, 1922, at 11 o'clock a. m.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BUTLER: A bill (H. R. 12952) to provide for the immediate needs of enlisted men upon discharge from the naval service for the good of the service; to the Committee on Naval Affairs.

By Mr. SLEMP: A bill (H. R. 12953) to establish a national park in the State of Virginia; to the Committee on the Public Lands.

By Mr. KAHN: A bill (H. R. 12954) to authorize officers of the military service to accept offices with compensation and emoluments from Governments of the Republics of North America and South America; to the Committee on Military Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 12955) to regulate and control unincorporated cooperative contract loan, savings, and investment institutions operating under declarations of trust in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SLEMP: A bill (H. R. 12956) to increase the salaries of the United States marshal and United States district attorney for the eastern district of Virginia; to the Committee on the Judiciary.

By Mr. KELL of Pennsylvania: A bill (H. R. 12957) to classify photographs and photographic films as fourth-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. STEPHENS: A bill (H. R. 12958) to grant leave of absence to officers and employees of the United States or of the District of Columbia when ordered to duty with the United States Naval Reserve Force or the United States Marine Corps Reserve; to the Committee on Naval Affairs.

By Mr. ABERNETHY: A bill (H. R. 12959) to enlarge and extend the post-office building at Goldsboro, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12960) to enlarge and extend the post-office building at New Bern, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. McPHERSON: A bill (H. R. 12961) to provide for the erection of a public building in the city of Aurora, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12962) to provide for the purchase of a site for a post-office building in the city of Cartersville, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12963) to provide for the purchase of a site for a post-office building in the city of Neosho, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12964) to provide for the purchase of a site for a post-office building in the city of Monett, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12965) to provide for the erection of a public building in the city of Lamar, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. SINCLAIR: A bill (H. R. 12966) to provide for the purchase and sale of farm products; to the Committee on Agriculture.

By Mr. PETERSEN (by request): A bill (H. R. 12967) to incorporate the United States Platinum Corporation and to aid in the development of the mineral resources of Alaska, and for other purposes; to the Committee on the Public Lands.

By Mr. JOHNSON of Washington: Joint resolution (H. J. Res. 391) directing the Public Printer to furnish, upon application, to each Senator elect, each Representative elect, and each Delegate elect a copy of each issue of the Congressional Record and indexes; to the Committee on Printing.

By Mr. BUTLER: Resolution (H. Res. 447) authorizing the Clerk of the House to pay, out of the contingent fund of the House, to Frederic H. Blackford and Elizabeth F. Mullen one month's salary as clerks to the late Hon. Charles R. Connell; to the Committee on Accounts.

By Mr. WISE: Resolution (H. Res. 448) directing the Federal Trade Commission to report to the House the cost of manufacturing and producing calcium arsenate, and whether the production and prices of calcium arsenate are controlled by any unlawful combination; to the Committee on Interstate and Foreign Commerce.

By Mr. TEN EYCK: Resolution (H. Res. 449) expressing the sincere wish and desire of the United States of America that the obligations of the signatories of the treaty of Sevres be observed by all signatories; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

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

By Mr. BEGG: A bill (H. R. 12968) granting a pension to Mary Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12969) granting a pension to Jennie Boyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12970) granting a pension to Margaret Blackman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12971) granting a pension to Nehemiah D. Minkler; to the Committee on Invalid Pensions.

By Mr. BENHAM: A bill (H. R. 12972) granting a pension to Lida O'Neal; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12973) to correct the military record of Jacob Shuey; to the Committee on Military Affairs.

By Mr. COUGHLIN: A bill (H. R. 12974) for the relief of John Bray, alias John Pickthorn; to the Committee on Military Affairs.

By Mr. DALLINGER: A bill (H. R. 12975) granting a pension to David C. Preston; to the Committee on Pensions.

By Mr. DARROW: A bill (H. R. 12976) granting a pension to Matthew Pierce; to the Committee on Invalid Pensions.

By Mr. EDMONDS: A bill (H. R. 12977) granting an increase of pension to Patrick H. Connelly; to the Committee on Pensions.

By Mr. GILBERT: A bill (H. R. 12978) granting a pension to Mary E. Grayson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12979) granting a pension to James A. Coppage; to the Committee on Pensions.

By Mr. GLYNN: A bill (H. R. 12980) for the relief of the Home for the Friendless, of Chicago, Ill.; the Silas Bronson Library, of Waterbury, Conn.; the Gettysburg College (formerly Pennsylvania College), of Gettysburg, Pa.; the Presbyterian Church of Bardstown, Ky.; and the Taylor Orphan Asylum, of Racine, Wis.; to the Committee on Claims.

By Mr. GREENE of Vermont: A bill (H. R. 12981) granting a pension to Katie Jane Bapp; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 12982) granting a pension to Martha Hoffman; to the Committee on Pensions.

By Mr. KENDALL: A bill (H. R. 12983) granting an increase of pension to Henry C. McKinley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12984) granting a pension to Eunice A. Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12985) granting a pension to Charles Ray Beeghly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12986) granting a pension to Carrie Tissue; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12987) granting a pension to Jonathan Witt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12988) granting a pension to Deborah H. Shaffer; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 12989) granting an increase of pension to Belle Bair; to the Committee on Invalid Pensions.

By Mr. LOGAN: A bill (H. R. 12990) for the relief of George A. Nickles; to the Committee on Claims.

By Mr. McDUFFIE: A bill (H. R. 12991) for the relief of J. E. Hendrix; to the Committee on Claims.

By Mr. LAWRENCE: A bill (H. R. 12992) granting a pension to Martha E. Butler; to the Committee on Invalid Pensions.

By Mr. MILLSAUGH: A bill (H. R. 12993) granting an increase of pension to Sarah A. Smith; to the Committee on Invalid Pensions.

By Mr. A. P. NELSON: A bill (H. R. 12994) granting an increase of pension to Urzula Levissee; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 12995) granting a pension to Rachel M. Goin; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 12996) granting a pension to Lillah Lane; to the Committee on Pensions.

PETITIONS, ETC.

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

6448. By Mr. BURROUGHS: Petition of Mr. M. W. Dunbar, of Hampton, N. H., and 35 other voters of the first congressional district of New Hampshire, protesting against any modification of or removal of any restriction from existing laws governing immigration; to the Committee on Immigration and Naturalization.

6449. By Mr. GRAHAM of Pennsylvania: Petition of the Philadelphia Board of Trade, urging the passage of S. 1943, for the protection of aliens under their treaty rights; to the Committee on Foreign Affairs.

6450. By Mr. HARRISON: Petition of Frank R. Thotter and 41 other citizens of Stephen City, Va., urging Government action for the protection of Armenians; to the Committee on Foreign Affairs.

6451. By Mr. KISSEL: Petition of W. Bernard Duke, Baltimore, Md., relating to the seizure of the Atlantic, Gulf & Pacific Steamship Corporation's fleet by the United States Shipping Board; to the Committee on the Merchant Marine and Fisheries.

6452. By Mr. SABATH: Petition of the Illinois Holstein-Friesian Association, in convention at Dixon, Ill., urging the continuance of appropriations to eradicate tuberculosis in cattle; to the Committee on Agriculture.

6453. By Mr. SINCLAIR: Petition of Harry H. Giese and 3 others, of Underwood; Algot Carlson and 4 others, of Milnor; J. D. Barclay and 35 others, of Mose; Syver Olsen and 63 others, of Ryder; G. A. Johnson and 9 others, of Carson and Almont; Mrs. R. W. Tesch and 7 others, of Werner and Taylor; Andrew Omholt and 13 others, of Williston, all in the State of North Dakota, in favor of a stabilized price on wheat; to the Committee on Agriculture.

6454. Also, petition of H. O. Hoffman and 11 others, of Morris-town, S. Dak.; William Wilson and 5 others, of Ryder, N. Dak.; Fred Landeis and 9 others, of Mandan, N. Dak.; Mrs. L. D. Best and 22 others, of Hillsboro, N. Dak.; S. O. Tveden and 28 others, of Watford City and Schafer, N. Dak.; Gustav F. Starck and 8 others, of Sweetbriar, N. Dak.; S. T. Ferguson and 6 others, of Woodworth, N. Dak.; L. A. Trudell and 77 others, of Deering and Surrey, N. Dak., urging that a fair minimum price be set on wheat; to the Committee on Agriculture.

6455. Also, petition of C. F. Johnson and 14 others, of Manfred; Mrs. Ralph Ingerson and 26 others, of Lignite and Flaxton; P. H. Paulson and 38 others, of Niagara; Mrs. F. J. Lyon and 18 others, of Dogden; C. J. Nelson and 34 others, of Beulah; A. Obermeier and 38 others, of Linton; Philip Fisher and 8 others, of Gladstone, all in the State of North Dakota, in favor of a minimum price on wheat; to the Committee on Agriculture.

6456. Also, petition of Henry Jacobson and 9 others, of Lundsvalley; Al. N. Nelson and 41 others, of Carlson; J. A. Dahl and 53 others, of Banks; Mrs. Gust Anderson and 33 others, of Sheyenne, all in the State of North Dakota, in favor of a minimum price on farm products; to the Committee on Agriculture.

6457. Also, petition of Gonvald Nodland and 9 others, of Dunn Center; N. O. Peterson and 33 others, of Turtle Lake; Emma C. Heidlebaugh and 23 others, of Rugby and Pleasant Lake, all in the State of North Dakota, asking Congress to set a price of \$2 on wheat; to the Committee on Agriculture.

6458. By Mr. TEMPLE: Evidence in support of H. R. 12888, granting a pension to Lizzie C. Masters; to the Committee on Invalid Pensions.