

By Mr. TREADWAY: A bill (H. R. 13354) for the relief of Holyoke Ice Co.; to the Committee on Claims.

By Mr. WICKERSHAM: A bill (H. R. 13355) for the relief of Joe Reno; to the Committee on Claims.

By Mr. DICKSTEIN: Concurrent resolution (H. Con. Res. 41) authorizing a special committee to investigate into the facts and circumstances relating to the death of Esther Louise Klein; to the Committee on Rules.

#### PETITIONS, ETC.

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

8665. By Mr. BUCKBEE: Petition of Mr. and Mrs. William Harper and 21 others, residents of Morris, Ill., asking Congress not to change the eighteenth amendment, and stating their opposition to any beer legislation; to the Committee on the Judiciary.

8666. Also, petition of Mr. and Mrs. Paul Nielsen and 24 others, residents of Morris, Ill., asking Congress not to change the eighteenth amendment, and stating their opposition to any beer legislation; to the Committee on the Judiciary.

8667. By Mr. CRAIL: Petition of the Men's Bible Class of the First Methodist Episcopal Church of Los Angeles, Calif., favoring more adequate appropriations for the enforcement of the eighteenth amendment of the Constitution; to the Committee on the Judiciary.

8668. By Mr. GLOVER: Petition of Standard Brake & Shoe Foundry Co.; to the Committee on Expenditures in the Executive Departments.

8669. By Mr. HANCOCK of New York: Petition of the West District Woman's Home Missionary Society of Syracuse, N. Y., signed by Ella L. McCarthy and other residents of Syracuse, N. Y., favoring the creation of a Federal motion-picture commission, and urging the passage of Senate bill 1079 and Senate Resolution 170; to the Committee on Interstate and Foreign Commerce.

8670. By Mr. HARLAN: Petition of F. A. Hamilton Council, No. 109, Daughters of America, urging passage of House bill 10602; to the Committee on Immigration and Naturalization.

8671. By Mr. LINDSAY: Petition of the New York Academy of Medicine, New York City, urging repeal of the eighteenth amendment; to the Committee on the Judiciary.

8672. Also, petition of the United National Association of Post Office Clerks, opposing continuation of the furlough plan; to the Committee on Ways and Means.

8673. Also, petition of E. S. Ullman, 131 West Thirtieth Street, New York City, urging repeal of the eighteenth amendment; to the Committee on the Judiciary.

8674. Also, petition of William A. Worboys Co., New York City, urging the use of wooden barrels as containers for beer; to the Committee on the Judiciary.

8675. Also, petition of National Association of Letter Carriers, urging repeal of the economy act and the correction of its injustices; to the Committee on Ways and Means.

8676. By Mr. LUCE: Petition of Woman's Home Missionary Society of Grace Methodist Episcopal Church, Cambridge, Mass., relating to motion-picture censorship; to the Committee on Interstate and Foreign Commerce.

8677. By Mr. RAINEY: Petition of D. C. H. Harwood, mayor, and 163 other citizens of Charleston, Coles County, Ill., protesting against further moratoriums; to the Committee on Ways and Means.

8678. By Mr. ROBINSON: Petition of Mildred Jones, of Gilman, Iowa, signed by about 40 other citizens of Gilman, Iowa, urging that the eighteenth amendment shall not be repealed; to the Committee on the Judiciary.

8679. By Mr. RUDD: Petition of the Associated Cooperage Industries of America, protesting against discrimination in the method of packaging legal beer as set forth in bills drafted for consideration; to the Committee on the Judiciary.

8680. By Mr. TARVER: Petition of eighth district convention, Junior Order United American Mechanics of Georgia, asking the enactment of legislation to exclude

aliens from the count in determining congressional representation, and also legislation making it a criminal offense for any person to advocate the destruction of our Government by violence, and also for continued efforts to further restrict foreign immigration; to the Committee on the Judiciary.

8681. Also, petition of the Cedartown (Ga.) Kiwanis Club, for agricultural relief; to the Committee on Agriculture.

8682. Also, petition of J. F. Funderburk and others, of Richland, Ga., protesting against the proposed resolution for the repeal of the eighteenth amendment; to the Committee on the Judiciary.

8683. By Mr. TEMPLE: Petition of the Woman's Christian Temperance Union of Eldora and the Woman's Christian Temperance Union of Monongahela, Washington County, Pa., protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

8684. By the SPEAKER: Petition of the Brotherhood of Locomotive Firemen and Enginemen of Magnet Lodge, No. 227, of Binghamton, N. Y., protesting against the unfair tactics pursued by the National Economy League in their attempt to break down beneficial veteran legislation; to the Committee on Expenditures in the Executive Departments.

8685. Also, petition of Helen C. Marshall and other citizens of Missouri, protesting against the passage of any measures providing for the manufacture of beer, for the nullification of the Constitution, or against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8686. Also, petition of Nettie Ireland and other citizens of Oroville, Calif., opposing any legislation to weaken the eighteenth amendment or nullify that part of the Constitution in any way; to the Committee on the Judiciary.

8687. Also, petition of the Advent Christian Conference of America, urging support of changes in the naturalization laws which will permit liberty of conscience in citizenship; to the Committee on Immigration and Naturalization.

8688. Also, petition of General Eastern Young People's Society of Loyal Workers, opposing any change in the prohibition laws; to the Committee on the Judiciary.

8689. Also, petition of the Unemployed Councils of the United States of America; to the Committee on Ways and Means.

8690. Also, petition of Jesse C. Duke, asking the impeachment of F. Dickinson Letts, an associate justice of the Supreme Court of the District of Columbia, and of Leo A. Rover, United States attorney for the District of Columbia; to the Committee on the Judiciary.

## SENATE

WEDNESDAY, DECEMBER 7, 1932

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

Almighty God, our Heavenly Father, who despisest not the sighing of a contrite heart nor the desire of such as are sorrowful, we humbly beseech Thee mercifully to look upon our infirmities, and for the glory of Thy name turn from us all those evils that we most justly have deserved and grant that in all our troubles and adversities whensoever they oppress us we may rejoice in the comfort of Thy mercy and evermore serve Thee in holiness and pureness of living, to Thy honor and glory; through our only mediator and advocate, Jesus Christ our Lord. Amen.

JAMES J. DAVIS, a Senator from the State of Pennsylvania, and HENRY W. KEYES, a Senator from the State of New Hampshire, appeared in their seats to-day.

#### THE JOURNAL

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

## MESSAGES FROM THE PRESIDENT

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

## CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Couzens	Kean	Schall
Austin	Cutting	Kendrick	Sheppard
Bailey	Dale	Keyes	Shipstead
Bankhead	Davis	King	Shorridge
Barbour	Dickinson	La Follette	Smith
Barkley	Dill	Logan	Smoot
Bingham	Fess	Long	Steiwer
Black	Fletcher	McGill	Swanson
Blaine	Frazier	McKellar	Thomas, Okla.
Borah	Glass	McNary	Townsend
Broussard	Glenn	Metcalf	Trammell
Bulkley	Goldsbrough	Moses	Tydings
Bulow	Gore	Neely	Vandenberg
Byrnes	Grammer	Norbeck	Wagner
Capper	Hale	Nye	Walcott
Caraway	Harrison	Oddie	Walker
Carey	Hastings	Patterson	Walsh, Mass.
Cohen	Hatfield	Pittman	Walsh, Mont.
Connally	Hawes	Reed	Watson
Coolidge	Hayden	Reynolds	Wheeler
Copeland	Hull	Robinson, Ark.	White
Costigan	Johnson	Robinson, Ind.	

Mr. METCALF. I desire to announce the necessary absence of my colleague [Mr. HEBERT].

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

## SENATORS FROM NEW JERSEY AND COLORADO

Mr. KEAN. Mr. President, I send to the desk the certificate of election of my colleague, Hon. W. WARREN BARBOUR, and ask that it may be read.

The VICE PRESIDENT. The certificate of election will be read.

The Chief Clerk read as follows:

## CERTIFICATE OF ELECTION OF THE STATE OF NEW JERSEY

The board of State canvassers hereby determines, that at a general election held in the said State, on the 8th day of November, A. D. 1932, W. WARREN BARBOUR was duly elected a Member of the United States Senate of the United States to represent the State of New Jersey to fill the vacancy caused by the death of Dwight W. Morrow.

In witness whereof I have hereunto set my hand and affixed my official seal at Trenton this 6th day of December, A. D. 1932.

[SEAL.]

THOMAS A. MATHIS,  
Secretary of State.

The VICE PRESIDENT. The certificate of election will be placed on file.

Mr. COSTIGAN. Mr. President, I send to the desk the credentials of Hon. KARL C. SCHUYLER as the successor of Hon. Walter Walker for the unexpired term of the late Hon. Charles W. Waterman, of Colorado. The Senator elect is in the Chamber and prepared to take the oath of office.

The VICE PRESIDENT. Let the certificate of election be read.

The Chief Clerk read the credentials, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 8th day of November, 1932, KARL C. SCHUYLER was duly chosen by the qualified electors of the State of Colorado a Senator from said State to represent said State in the Senate of the United States to fill the vacancy therein, caused by the death of Hon. Charles W. Waterman.

Witness: His excellency our governor, William H. Adams, and our seal hereto affixed at Denver, this 5th day of December A. D. 1932.

By the governor:

[SEAL.]

WM. H. ADAMS, Governor.  
CHAS. M. ARMSTRONG,  
Secretary of State.  
A. G. SUEDEKER,  
Deputy.

The VICE PRESIDENT. The certificate will be placed on file. The Senators elect will present themselves at the Vice

President's desk and the oath of office will be administered to them.

Mr. BARBOUR, escorted by Mr. KEAN, and Mr. SCHUYLER, escorted by Mr. COSTIGAN, advanced to the Vice President's desk; and the oath of office having been administered to them, they took their seats in the Senate.

## CREDENTIALS

The VICE PRESIDENT. The Chair lays before the Senate the credentials of Senators-elect ADAMS, of Colorado; DIETERICH, of Illinois; HAYDEN, of Arizona; GEORGE, of Georgia; DUFFY, of Wisconsin; OVERTON, of Louisiana; and TYDINGS, of Maryland, which, if there be no objection, will be printed in full in the RECORD without reading and placed on file.

The credentials were ordered to be placed on file, and they are as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 8th day of November, 1932, ALVA B. ADAMS was duly chosen by the qualified electors of the State of Colorado a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1933.

Witness: His excellency our governor, William H. Adams, and our seal hereto affixed at Denver, this 5th day of December, A. D. 1932.

By the governor:

[SEAL.]

WM. H. ADAMS, Governor.  
CHAS. M. ARMSTRONG,  
Secretary of State.  
A. G. SUEDEKER, Deputy.

## STATE OF ILLINOIS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 8th day of November, 1932, WILLIAM H. DIETERICH was duly chosen by the qualified electors of the State of Illinois a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1933.

Witness: His excellency our governor, Hon. Louis L. Emmerson, and our seal hereto affixed at Springfield, Ill., this 1st day of December, A. D. 1932.

By the governor:

[SEAL.]

LOUIS L. EMMERSON,  
Governor.  
WILLIAM J. STRATTON,  
Secretary of State.

## EXECUTIVE OFFICE, STATEHOUSE,

Phoenix, Ariz., November 29, 1932.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 8th day of November, 1932, CARL HAYDEN was duly chosen by the qualified electors of the State of Arizona a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1933.

Witness: His excellency our governor, George W. P. Hunt, and our seal hereto affixed at Phoenix, this 29th day of November, A. D. 1932.

By the governor:

[SEAL.]

GEORGE W. P. HUNT,  
Governor.  
SCOTT WHITE,  
Secretary of State.

## STATE OF GEORGIA, EXECUTIVE OFFICE,

Atlanta.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

A general election having been held in the State of Georgia on the 8th day of November, 1932, for the selection of a United States Senator from Georgia for a full term to succeed Hon. WALTER F. GEORGE, and the governor, secretary of state, and comptroller general having canvassed, counted, and consolidated the votes cast in said election, and having declared Hon. WALTER F. GEORGE duly elected to said office:

Therefore, this is to certify that on the 8th day of November, 1932, Hon. WALTER F. GEORGE was duly chosen by the qualified electors of the State of Georgia Senator to represent said State in the Senate of the United States for a full term beginning the 4th day of March, 1933, to succeed himself.

In witness whereof I have hereunto set my hand and caused the great seal of the State of Georgia to be affixed at the capitol, in the city of Atlanta, on the 23d day of November, A. D. 1932, and of the independence of the United States of America the one hundred and fifty-seventh.

By the governor:

[SEAL.]

RICHARD B. RUSSELL, Jr.,  
Governor.  
JOHN B. WILSON,  
Secretary of State.

UNITED STATES OF AMERICA,  
THE STATE OF WISCONSIN,  
DEPARTMENT OF STATE.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 8th day of November, 1932, F. RYAN DUFFY was duly chosen by the qualified electors of the State of Wisconsin a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th of March, 1933.

Witness: His excellency our governor, Philip F. La Follette, and our seal hereto affixed at the capitol, in the city of Madison, this 29th day of November, A. D. 1932.

By the governor:

PHILIP F. LA FOLLETTE,  
*Governor.*

[SEAL.]

THEODORE DAMMANN,  
*Secretary of State.*

STATE OF LOUISIANA,  
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 8th day of November, 1932, JOHN H. OVERTON was duly chosen by the qualified electors of the State of Louisiana a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1933.

Witness: His excellency our governor, Oscar K. Allen, and our seal hereto affixed at Baton Rouge this 1st day of December, A. D. 1932.

By the governor:

OSCAR K. ALLEN, *Governor.*  
E. A. CONWAY,  
*Secretary of State.*

[SEAL.]

THE STATE OF MARYLAND,  
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

I, Albert C. Ritchie, Governor of the State of Maryland, and having control of the great seal thereof, do hereby certify that on the 8th day of November, 1932, MILLARD E. TYDINGS was duly chosen by the qualified electors of the State of Maryland a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1933.

In testimony whereof I have hereunto set my hand and have caused to be hereto affixed the great seal of the State of Maryland at Annapolis, Md., this 30th day of November, in the year 1932.

By the governor:

ALBERT C. RITCHIE,  
DAVID C. WINEBRENNER, 3d,  
*Secretary of State.*

[SEAL.]

Mr. BANKHEAD. Mr. President, I send to the desk the credentials of my colleague, Hon. HUGO L. BLACK, and ask that they may be printed in the RECORD and filed.

The credentials were ordered to be placed on file and to be printed in the RECORD, as follows:

THE STATE OF ALABAMA,  
DEPARTMENT OF STATE.

CERTIFICATE OF ELECTION

I, Pete B. Jarman, jr., secretary of state, in accordance with the provisions of section 516 of the Code of Alabama, do hereby certify that, as shown by the returns of election on file in this office, HUGO L. BLACK was elected United States Senator at the general election held in this State on Tuesday, the 8th day of November, 1932.

Witness my hand this 23d day of November, 1932.

[SEAL.]

PETE B. JARMAN, JR.,  
*Secretary of State.*

SENATE OFFICE BUILDING COMMISSION

The VICE PRESIDENT. The Chair appoints the junior Senator from Delaware [Mr. TOWNSEND] a member of the Senate Office Building Commission, to fill the vacancy caused by the death of Hon. Wesley L. Jones, late a Senator from the State of Washington.

REPORT OF THE SECRETARY OF THE TREASURY

The VICE PRESIDENT laid before the Senate the annual report of the Secretary of the Treasury, submitted pursuant to law, on the state of the finances for the fiscal year ended June 30, 1932, which was referred to the Committee on Finance.

REPORTS OF THE ATTORNEY GENERAL

The VICE PRESIDENT laid before the Senate the annual report of the Attorney General of the United States, sub-

mitted pursuant to law, for the fiscal year ended June 30, 1932, which was referred to the Committee on the Judiciary.

He also laid before the Senate a letter from the Attorney General, submitting, pursuant to law, a list of suits arising under the public vessel act of March 3, 1925 (43 Stat. 1112), in which final decrees were entered, exclusive of cases on appeal, which was referred to the Committee on the Judiciary.

He also laid before the Senate a letter from the Attorney General, submitting, pursuant to law, a list of suits arising under the act of March 9, 1920 (41 Stat. 525), authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal, which was referred to the Committee on the Judiciary.

COST-ASCERTAINMENT REPORT, POST OFFICE DEPARTMENT

The VICE PRESIDENT laid before the Senate a letter from the Postmaster General, transmitting, pursuant to law, the cost-ascertainment report of the Post Office Department for the fiscal year 1932 and stating that the appendix to the report will be submitted at a later date, which, with the accompanying report, was referred to the Committee on Post Offices and Post Roads.

REPORT OF THE FEDERAL FARM BOARD

The VICE PRESIDENT laid before the Senate a letter from the acting chairman of the Federal Farm Board, transmitting, pursuant to law, the third annual report of the board for the year ended June 30, 1932; which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

RECOMMENDATIONS FOR LEGISLATION—FEDERAL FARM BOARD  
(H. DOC. NO. 489)

The VICE PRESIDENT laid before the Senate a letter from the acting chairman of the Federal Farm Board, transmitting, pursuant to law, a special report of the board on "Recommendations for Legislation," which, with the accompanying special report, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

JUDGMENTS OF THE COURT OF CLAIMS (S. DOC. NO. 147)

The VICE PRESIDENT laid before the Senate a letter from the chief clerk of the Court of Claims, transmitting, pursuant to law, a statement of all judgments rendered by the Court of Claims for the year ended December 3, 1932, which, with the accompanying statement, was referred to the Committee on Appropriations and ordered to be printed.

THE BUDGET

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

Mr. ROBINSON of Arkansas. Mr. President, pending the reading of the message, may I inquire if copies of the same are available for the use of Senators?

The VICE PRESIDENT. No copies have been delivered to the Senate. The clerk will read the message.

The Chief Clerk read the message, as follows:

To the Congress of the United States:

I have the honor to transmit herewith the Budget of the United States for the fiscal year ending June 30, 1934. The appropriations herein recommended for the fiscal year 1934 have been reduced by about \$830,000,000 below the appropriations for the current fiscal year, which reduction is offset by about \$250,000,000 of unavoidable increases in items not subject to administrative control, making a net reduction of about \$580,000,000.

The following tabulation summarizes the estimates of appropriations (a) as contained in the body of the Budget and (b) as modified by the further recommendations contained in this message, compared with the appropriations made by the Congress for the current fiscal year:

Department or establishment	Fiscal year 1934 estimates—		Fiscal year 1933, appropriations	Increase (+) or decrease (-) of fiscal year 1934 compared with fiscal year 1933—	
	As estimated in the body of the Budget	As modified by additional recommendations in the Budget message		As estimated in the body of the Budget	As modified by additional recommendations in the Budget message
Legislative.....	\$21,088,928	<sup>1</sup> \$17,558,317	\$18,822,141	+\$2,266,787	-\$1,263,824
Executive Office and independent establishments (except Veterans' Administration).....	47,062,220	45,771,848	84,892,891	-37,830,671	-39,121,043
Veterans' Administration.....	1,060,976,834	931,077,773	1,020,464,000	+40,512,834	-80,386,227
Agriculture.....	118,814,909	115,883,297	317,883,236	-199,068,327	-201,999,939
Commerce.....	37,934,323	36,409,372	44,784,408	-6,850,085	-8,375,036
Interior.....	58,190,929	56,594,543	81,325,484	-23,134,555	-24,730,941
Justice.....	45,082,487	43,421,843	45,996,000	-913,513	-2,574,157
Labor.....	13,393,345	12,793,616	12,924,770	+468,575	-131,154
Navy.....	309,647,536	308,695,579	328,906,141	-19,258,605	-20,210,562
Post Office:					
From postal revenues.....	627,293,161	627,293,161	651,104,675	-23,811,514	-23,811,514
From the Treasury.....	97,000,000	67,215,330	155,000,000	-58,000,000	-87,784,670
State.....	13,008,627	12,505,304	13,684,793	-686,166	-1,189,489
Treasury.....	289,861,557	284,898,147	375,027,597	-85,166,040	-90,129,450
War:					
Military.....	278,606,741	276,863,201	305,739,924	-27,133,183	-28,876,723
Nonmilitary.....	73,296,440	71,559,462	151,718,168	-78,421,718	-80,158,696
Panama Canal.....	13,106,404	12,553,368	11,146,661	+1,959,743	+1,406,707
District of Columbia.....	39,743,270	38,643,862	44,497,622	-4,754,352	-5,853,760
Public debt:					
Reduction in principal.....	534,070,321	534,070,321	496,803,478	+37,266,843	+37,266,843
Interest.....	725,000,000	725,000,000	640,000,000	+85,000,000	+85,000,000
Total.....	4,403,178,032	4,218,808,344	4,800,731,979	-397,553,947	-581,923,635

<sup>1</sup>After deducting \$1,968,000, economy act savings.

The appropriations which I recommend be made for the fiscal year ending June 30, 1934, as shown above, total \$4,218,808,344, and are predicated upon the enactment of legislation, which I hereby recommend, providing (a) for a temporary reduction in the rate of pay of Federal personnel, to be applied to all civil employees prior to the application of the provisions of Title I of Part II of the act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes (the continuation of which for another year is submitted in the body of the Budget), effecting an additional saving of \$55,000,000, and (b) amending certain laws providing for benefits to veterans, producing a further saving of \$127,000,000. I recommend that this legislation be in the language appended to this message.

EXPENDITURES

The appropriations made for any fiscal year control the obligations which may be incurred during that year, but do not accurately reflect the expenditures of the year, as many expenditures are made in liquidation of obligations of a prior year and out of the prior year's appropriation, while many obligations incurred during the year are liquidated in a subsequent year.

Expenditures, therefore, while based upon the appropriations available, must be separately estimated. The following tabulation summarizes the expenditures contemplated during the fiscal year 1934 under appropriations (a) as recommended in the body of the Budget and (b) as modified by the further recommendations contained in this message, compared with the estimated expenditures for the current fiscal year:

Department or establishment	Fiscal year 1934—		Fiscal year 1933, as estimated in the body of the Budget	Increase (+) or decrease (-) of fiscal year 1934 compared with fiscal year 1933—	
	As estimated in the body of the Budget	As modified by additional recommendations in the Budget message		As estimated in the body of the Budget	As modified by additional recommendations in the Budget message
Legislative.....	\$20,581,300	\$17,050,700	\$24,675,800	-\$4,094,500	-\$7,625,100
Executive Office and independent establishments (except Veterans' Administration).....	51,675,800	50,385,500	128,904,800	-77,229,000	-78,519,300
Veterans' Administration.....	1,105,008,000	975,109,000	1,073,381,000	+31,627,000	-98,272,000
Agriculture.....	144,876,400	141,944,800	314,204,500	-169,328,100	-172,259,700
Commerce.....	40,066,000	38,541,100	44,743,400	-4,677,400	-6,202,300
Interior.....	71,010,500	69,414,200	75,605,800	-4,595,300	-6,191,600
Justice.....	44,654,000	42,993,400	46,081,300	-1,427,300	-3,087,900
Labor.....	13,368,500	12,768,800	12,337,400	+1,031,100	+431,400
Navy.....	330,126,000	329,174,100	356,360,500	-26,234,500	-27,186,400
Post Office:					
From postal revenues.....	625,000,000	625,000,000	600,000,000	+25,000,000	+25,000,000
From the Treasury.....	97,075,000	67,290,400	134,075,000	-37,000,000	-66,784,600
State.....	13,118,800	12,615,500	14,779,000	-1,660,200	-2,163,500
Treasury.....	336,365,700	331,402,300	367,725,800	-31,360,100	-36,323,500
War:					
Military.....	286,046,400	284,302,900	306,409,200	-20,362,800	-22,106,300
Nonmilitary.....	108,071,000	106,334,100	121,077,700	-13,006,700	-14,743,600
Panama Canal.....	12,933,000	12,380,000	13,421,800	-488,800	-1,041,800
District of Columbia.....	40,747,500	39,648,100	41,952,000	-1,204,500	-2,303,900
Public debt:					
Reduction in principal.....	534,070,300	534,070,300	498,153,400	+35,916,900	+35,916,900
Interest.....	725,000,000	725,000,000	695,000,000	+30,000,000	+30,000,000
Total.....	4,599,794,200	4,415,425,200	4,868,888,400	-269,094,200	-453,463,200
Deduct Postal Service payable from postal revenues.....	625,000,000	625,000,000	600,000,000	+25,000,000	+25,000,000
Total payable from the Treasury.....	3,974,794,200	3,790,425,200	4,268,888,400	-294,094,200	-478,463,200

The total expenditure in 1934 is increased above the normal carry-over of funds from prior appropriations by \$110,000,000 from the 1933 appropriations for construction as contained in the emergency relief and construction act,

in opposition to which appropriations I presented my views to the last Congress. This unusual carry-over accounts for the major difference between reduction of appropriations and reduction of expenditures.

## EXPENDITURES AND RECEIPTS

The following tabulation summarizes the estimated expenditures and receipts for the fiscal years 1934 and 1933 compared with the actual expenditures and receipts for 1932. The expenditures for 1934 are predicated upon the appropriations for that year recommended above and the receipts for 1934 upon existing revenue laws:

	1934	1933	1932
Total payable from Treasury.....	\$3,790,425,200	\$4,268,888,400	\$5,006,590,308
Deduct public-debt retirements.....	534,070,300	498,153,400	412,629,750
Total other expenditures.....	3,256,354,900	3,770,735,000	4,593,960,558
Receipts.....	2,949,162,713	2,624,256,693	2,121,228,006
Excess of expenditures.....	307,192,187	1,146,478,307	2,472,732,549

From this tabulation it will be seen that, in spite of the large reduction in expenditures, the revenues under existing laws are expected to fall short of providing sufficient money to avoid a further increase in the public debt in the fiscal year 1934 by about \$307,000,000.

To meet this situation I recommend—

(a) That the Federal tax on gasoline, which is effective only until June 30, 1933, be continued until June 30, 1934, producing about \$137,000,000 additional revenue in the fiscal year 1934, and

(b) That the manufacturers' excise taxes now imposed on certain articles be extended and in part replaced by a general uniform tax (excluding food). I have been advised that the annual yield of such a general tax, at a 2¼ per cent rate, would be approximately \$355,000,000.

The additional \$492,000,000 of revenue produced in this way will not only make possible the replacements referred to above but will also avoid a further increase in the public debt during the fiscal year 1934. The details of these recommendations will be presented by the Secretary of the Treasury.

## CONTINUANCE OF CERTAIN ECONOMY PROVISIONS

In arriving at the amounts of the estimates of appropriations contained in this Budget for the Executive branch of the Government, I have predicated my action on a continuance during the fiscal year 1934 of certain sections of parts of sections of the so-called economy act of June 30, 1932, which, by the terms of that act, are now limited in their application to the fiscal year 1933. The recommendation for the continuance of these sections of the economy act will be found in the general provisions which have been incorporated in the chapter of this Budget pertaining to the Post Office Department. These provisions have been inserted in that chapter for the reason that it has been the general policy of Congress to include in the consolidated act making appropriations for the Treasury and Post Office Departments general provisions which are to have application to all departments and establishments.

The provisions of section 110 of the economy act, which deal with the impounding of funds unexpended by reason of the operation of the provisions of Title I of that act are not, of course, recommended for continuance, as the savings which will result from the continuance during 1934 of the provisions of this title have been taken into consideration in framing the estimates of appropriations for 1934, including the permanent appropriation estimates. With regard to the permanent specific appropriations there is included in the recommendations a provision that these appropriations shall be reduced for 1934 in an amount which represents the savings which will be made therefrom by the continuance of the provisions of the economy act.

I am recommending the retention of so much of section 202 as precludes administrative promotions, but do not recommend the continuance of that portion of said section, nor of section 203, which for the current fiscal year requires the written authorization or approval of the President for the filling of vacant positions. This is a detail of administrative responsibility which should be restored to the heads

of the departments and establishments, where it has uniformly rested in the past. The estimates of appropriations for 1934 provide only for the personnel needed under the existing organizational set-up. If vacancies occur which are not necessary to be filled, I am confident that we can rely upon the heads of the departments and establishments to see that they are not filled. I feel that we are weakening the responsibility which should devolve upon and be entrusted in the heads of the departments and establishments by requiring the Chief Executive to authorize or approve in writing the filling of any vacancies which may occur in their personnel.

The reductions in the estimates of appropriations contained in this Budget which are due to the recommendation that certain provisions of the economy act be continued in force during 1934 amount to \$97,398,000. This is exclusive of the estimates of appropriations for the legislative branch of the Government, which do not, of course, reflect the savings which would result from the continuance in 1934 of these provisions of the economy act. The Budget and Accounting Act of 1921 provides that the estimates for the legislative branch of the Government shall be presented to the Congress without Executive revision. If these provisions of the economy act are continued in effect during 1934 they would automatically reflect a reduction in the estimates of appropriations for the legislative establishment of approximately \$1,968,000.

## MOTOR VEHICLES

The provisions which have appeared annually in the separate appropriation acts relating to the purchase, use, and general maintenance of passenger-carrying automobiles have been consolidated and appear as section 3 of the Post Office Department chapter of this Budget, in language which makes the provision applicable to the appropriations for all of the executive departments and independent establishments for the fiscal year 1934. The adoption of a general provision will assure uniformity and avoid the necessity of carrying individual restrictions of this nature in each of the appropriation acts.

## VETERANS' ADMINISTRATION

The appropriations recommended for the Veterans' Administration for 1934 amount to \$931,078,000, after deducting the savings to be accomplished by the legislation recommended above. The appropriations for 1933 total \$1,020,646,000. Without the savings now recommended above the appropriations for 1934 would exceed \$1,060,000,000. About \$21,000,000 of each of these amounts represents the cost of the civil-service retirement and disability fund which is administered by the Veterans' Administration. Deducting this amount gives a cost for care of veterans for 1934 of \$932,956,000 as against \$999,464,000 for 1933. This would indicate a decrease of about \$66,500,000, but the Veterans' Administration will require an additional amount of about \$16,250,000 for military and naval insurance during the current fiscal year, so that the real decrease in cost for 1934 under 1933 is about \$82,750,000.

The principal items of decrease are the \$127,000,000 to be accomplished by the legislation mentioned above and decreases in construction and in general administration. These decreases are partially offset by increases in military and naval insurance and in military and naval compensation.

## RETIREMENT FUNDS

The actuarial revaluation of the civil-service retirement and disability fund so as to cover the changes made by the act of May 29, 1930, has not been completed. Pending the completion of this revaluation the estimates for the financing of the Government's liability to the fund is presented in the same amount as has been appropriated for each of the last two years, namely, \$20,850,000.

With regard to the Foreign Service retirement and disability fund the actuarial valuation shows that a Federal contribution of \$427,000 will be required for the fiscal year 1934 to maintain the solvency of the fund. The Government's liability to the fund was increased by the act approved February 23, 1931, but there has been no change in

the existing statutory authorization that appropriations to meet the Government's liability should at no time exceed the total of the contributions of the Foreign Service officers and accumulated interest thereon. Under existing law there is no authorization for an appropriation for 1934 in excess of \$292,700, so that this Budget contains an estimate in that amount only.

#### SHIPPING BOARD

No direct appropriation for the Shipping Board shipping fund was made for 1933, the operating costs for that year being met by the authority granted by Congress to utilize balances and reserves on hand. In addition to recommending a continuance of this authority for 1934 the estimate for the shipping fund contained in this Budget provides for a direct appropriation of \$2,875,000. The requirements of the Shipping Board shipping fund to meet its operating costs is dependent upon the lines of vessels which it may operate and each line which is sold operates to reduce the amount needed. Where the sale of lines by the Shipping Board is conditional upon the private operators receiving an ocean mail contract from the Post Office Department the board should be in a position to transfer to that department the savings which are reflected in the operating costs. For this purpose a provision has been incorporated in the estimates of appropriations for the Shipping Board to permit of the transfer of not exceeding \$4,000,000 to the Post Office Department to be available only for meeting the cost in 1934 of ocean mail contracts entered into by that department under the provisions of the merchant marine act of 1928 for service upon steamship lines which may be sold by the Shipping Board.

#### PUBLIC WORKS

Speaking generally of public works, this program is well in advance of the country's immediate need by virtue of the vast appropriations made for this purpose as a means of increasing employment. The authorization of large programs of self-liquidation works to be financed by the Reconstruction Finance Corporation provides aid to employment upon an even larger scale without burden upon the taxpayers. For this reason the estimates for public works generally for 1934 show a marked reduction below the appropriations for 1933.

#### FEDERAL-AID HIGHWAY SYSTEM

The authorization for appropriations for the Federal-aid highway system expires with the current fiscal year, 1933, and the unappropriated balance of the authorizations amounts to \$51,560,000. This Budget contains an estimate of appropriation of \$40,000,000 of this balance, this being the amount which will be required for expenditure in 1934 in the absence of any further legislative authorization for appropriation. I earnestly recommend to the Congress that there be no further grant of legislative authority for appropriation for Federal-aid highways until the financial condition of the Treasury justifies such action. The annual program of Federal aid for the highway system was increased from \$75,000,000 to \$125,000,000 beginning with the fiscal year 1931, and has been materially further advanced within the last two years by the appropriation of \$80,000,000 made in the emergency construction appropriation act of December 20, 1930, and the appropriation of \$120,000,000 contained in the emergency relief and construction act of July 21, 1932. I am not unmindful that these emergency appropriations, amounting to \$200,000,000, represent advances only and that under the provisions of the acts making them the entire amount, less the \$15,000,000, returnable to the United States from the authorization for 1933, is eventually to be reimbursed to the United States by deductions from the apportionments which may be made to the States under any future authorizations that may be granted for carrying out the Federal highway act. I do not, however, view this as a commitment which of itself necessitates further authorization for Federal appropriations until such time as the financial condition of the Treasury justifies such action.

#### BUILDINGS

The Federal public-building program authorized by the act of May 25, 1926, is progressing satisfactorily and the activi-

ties under it have been of material assistance in the relief of the unemployed. The program involves a total expenditure for all purposes of approximately \$700,000,000, of which \$190,000,000 is for land and buildings in the District of Columbia.

In furtherance of the provisions of the enabling legislation 817 projects have been specifically authorized at limits of cost aggregating \$470,717,000. On October 31, last, 254 of these projects had been completed, 400 projects were under contract either in whole or in part, and 110 projects were being processed toward the contract stage, the drawings therefor having been completed. In accordance with provisions of the legislative appropriation act for the fiscal year 1932, original limits of cost were reduced 10 per cent for over 200 projects not under contract on July 1, 1932. Further savings have been made as a result of the decline in price of materials, and it is estimated that of the \$470,717,000 specifically authorized for the 817 projects, at least \$40,000,000 will be saved and all of them completed within \$430,000,000.

In carrying on the program, including additional land in the District of Columbia, obligations aggregating \$378,804,417.52 were incurred to October 31, last, and \$261,278,065.75 actually expended.

The funds available for expenditure in the fiscal year 1933 amount to \$134,053,401.19. It is expected that this amount, together with the \$60,000,000 included in the estimates for 1934 not transmitted, will all be spent in the fiscal years 1933 and 1934.

These activities under the building program were increased to a marked degree by the appropriation of \$100,000,000 for public buildings contained in the emergency relief and construction act of 1932, which was approved on July 21, 1932. This act stipulated that the projects undertaken under the emergency appropriation should be selected from those to which funds authorized under the regular public-building program had been allocated. After a comprehensive survey of applicable conditions about 410 projects have been selected and plans have been laid to proceed with the work to the end that practically all of the funds appropriated will be obligated in the fiscal years 1933 and 1934.

No provision is made for additional projects in the Budget now transmitted other than estimates aggregating \$2,505,000 for miscellaneous projects not coming within the purview of the regular building program, as I do not deem further building at this time in the public interest.

#### RIVERS AND HARBORS AND FLOOD CONTROL

The estimate for the annual appropriation for the maintenance and improvement of existing river and harbor works contained in this Budget is \$39,388,129, a reduction from the comparable amount of the regular annual appropriation for 1933 of \$20,161,871. The emergency appropriations made last July for public works, with a view to increasing employment, contained \$30,000,000 for rivers and harbors, which is in addition to the annual appropriation of \$60,000,000 for 1933. Adding the estimate of appropriation for 1934 to the two appropriations for the current fiscal year will provide \$129,388,129 for the two years, or an average of nearly \$65,000,000 per year, and if there be included with these appropriations the amount of cash on hand June 30, 1932, the cash availability for river and harbor works during the fiscal years 1933 and 1934 totals approximately \$149,445,000, or an average of \$74,722,000 per year. Because of a reduction in the cost of labor and materials for work of this character, the value of the work of river and harbor improvement which can be accomplished during the fiscal years 1933 and 1934 with the funds available would represent an increase of from 15 to 40 per cent, or between \$171,862,000 and \$209,223,000 at 1929 costs.

For flood control the 1934 estimates of annual appropriations provide \$19,653,424 for the Mississippi River and its tributaries and \$768,480 for the Sacramento River, reductions of \$12,066,576 and \$207,520 from comparable amounts provided in the regular annual appropriations for 1933. In addition to the regular annual appropriation of \$32,000,000 for the fiscal year 1933, there was provided \$15,500,000 for

flood-control work on the Mississippi River and its tributaries by the relief act approved July 21, 1932. Adding the estimate of appropriation for 1934 to the two appropriations for the current fiscal year will provide \$67,153,424 for flood control on the Mississippi for the two years, or an average of over \$33,500,000 per year, and if the cash on hand on June 30, 1932, be included, the cash availability for the two years is approximately \$85,523,000, or an average of \$42,761,000 per year. In value of work these amounts will produce an increase of between 15 and 40 per cent over the work which could have been secured with the same amounts at 1929 costs, due to the reduction which has taken place in the cost of this character of work.

The total of the estimates contained in this Budget for rivers and harbors (including maintenance and operation of Dam No. 2, Muscle Shoals) and flood control is \$71,255,217, of which \$49,935,313 is for rivers and harbors and \$21,319,904 for flood control. The total of \$71,255,217 includes \$10,868,500 to meet requirements under authorizations of law covering permanent specific and indefinite appropriations, advances, and contributions for rivers and harbors, and flood-control work.

For maintenance and operation of the Panama Canal and the sanitation and civil government of the Canal Zone this Budget provides for a total of \$13,106,404, after deducting \$471,718 to cover reductions based upon a continuation in 1934 of certain provisions of the economy act. This gives \$12,634,686 to be used for purposes of comparison with the 1933 appropriation of \$11,146,661, and indicates a net increase in 1934 of \$2,431,461. However, it is to be noted that the Budget estimate for 1933 was reduced by \$3,500,000 and the amount appropriated supplemented to the same extent by a provision in the act reading "and such sums, aggregating not to exceed \$3,500,000, as may be deposited in the Treasury of the United States as dividends by the Panama Railroad Co. in excess of 10 per cent of the capital stock of such company." While this resulted in a facial reduction in the estimate as submitted in the Budget for 1933, it did not affect any saving, as it reduced by a corresponding amount the dividends which otherwise would have been paid into the Treasury by the Panama Railroad Co. Therefore, from the standpoint of availability of funds, the 1934 estimate is \$1,068,539 below the appropriations for 1933.

#### TREASURY DEPARTMENT

The estimates of appropriations for the Treasury Department as presented in this Budget, aside from interest on the public debt and public-debt retirements from ordinary receipts, are \$85,166,000 less than the appropriations for 1933. Excluding the amount of deductions predicated on a continuance of certain sections of the economy act, which amount to approximately \$8,000,000, and taking into consideration that an additional amount of about \$40,000,000 will be required in 1933 for refunding taxes illegally collected, the net decrease, aside from the public-debt items, amounts to approximately \$37,160,000.

The principal decrease is \$148,000,000 in the items for construction of new Federal buildings. This decrease is made possible by reduced expenditure requirements amounting to \$48,000,000 under the regular public-building program and the fact that the emergency relief and construction act of 1932 provided \$100,000,000 for public buildings, which is available during 1933 and subsequent years. Among the other decreases are \$5,700,000 for customs administration, due largely to reimbursable items resulting from the decline in customs receipts; \$1,084,000 in the Coast Guard items; and \$753,000 under the Bureau of Engraving and Printing due to reduced production program.

On the increase side the main items, excluding those pertaining to the public debt, are \$68,000,000 for refunding taxes illegally collected, for which no direct appropriation was made for the current fiscal year, and \$7,715,000 for the Office of the Supervising Architect, which is made up principally of items having to do with the operation and maintenance of the large number of Federal buildings which will be completed during 1934, the remodeling and enlarging of old buildings, and the increase in force and related expenses,

both in Washington and in the field, incident to the enlarged construction program.

With regard to public-debt transactions the estimate under the permanent appropriation for 1934 for interest on the public debt shows an increase of \$85,000,000 in excess of the appropriation for 1933. There is also an increase of \$37,266,843 for public-debt retirements from ordinary receipts, consisting of the cumulative sinking fund, additional sinking-fund requirements to carry into effect the provisions of section 308 of the emergency relief and construction act of 1932, receipts from foreign governments to be applied to debt retirements, and retirements from franchise-tax receipts from Federal reserve banks.

#### NATIONAL DEFENSE

Excluding all items of a nonmilitary nature the estimates of appropriations contained in this Budget for national defense under the War and Navy Departments amount to \$586,447,000 as compared with appropriations of \$632,466,000 for 1933, which indicates a decrease of \$46,019,000. To obtain a proper basis for comparison, however, there should be deducted \$16,996,000, which represents the deductions made in the 1934 estimates predicated upon a continuance during that fiscal year of certain provisions of the economy act. On this comparable basis the decrease is slightly more than \$29,000,000.

With regard to the War Department the net decrease is \$18,215,000, which results from a large number of items of increase and decrease. The principal item of decrease is Army construction, for which \$17,414,000 was appropriated in 1933, and for which no similar item is included in this Budget. Construction under the Army housing program has progressed to such a stage that a postponement of further construction can be made at this time without detriment to the Army. Other decreases which merit mention here are \$3,590,000 in arming, equipping, and training the National Guard, effected principally by the inclusion in the estimate of appropriation of a provision temporarily suspending existing law so as to permit a reduction in the number of armory drills paid for by the United States from 48 to 24, and \$1,592,000 for citizens' military training camps, made possible by a reduction of the number of trainees to be ordered to such camps. The principal increase is \$4,483,000 for subsistence of the Army, which is due to the fact that the appropriation for 1933 was supplemented by \$5,435,000 of excess stock and funds accumulated from prior year appropriations—no similar assets being available for 1934. There is also an increase of \$1,243,000 for transportation of the Army, required principally for the procurement of trucks and ambulances and the transportation of Army supplies and its personnel and baggage.

Provision is made in these estimates for average active strengths of 12,000 commissioned officers, 883 warrant officers, and 118,750 enlisted men of the Regular Army, and 6,500 enlisted men of the Philippine Scouts; for an actual average strength of 185,000 officers and men of the National Guard; for the training of 16,722 members of the Organized Reserves for varying periods; for the enrollment and instruction of 127,565 students in the Reserve Officers' Training Corps units in schools and colleges, and the training of 7,200 of this number in 30-day camps; and for 30 days' attendance at citizens' military training camps of 13,000 trainees. The estimates for 1934 make provision for the adequate maintenance and operation of Army Air Corps activities and for the procurement of 375 new airplanes, which will give the Air Corps a total of 1,537 airplanes, on hand and on order on June 30, 1934, leaving a shortage of only 111 in the approved program of 1,648 airplanes for the Regular Army.

For the Navy Department the net decrease in the estimates for 1934 from the appropriations for 1933 is \$10,807,000. There is a reduction of \$12,554,000 for ordinary maintenance and operating expenses; \$10,240,000 for public-works projects, and \$9,450,000 in the amount for modernization of battleships. Offsetting these reductions, totaling \$32,244,000, is an increase of \$21,437,000 for construction of new vessels.

The items for ordinary maintenance and operation provide for maintaining during the fiscal year 1934 an average of 79,700 enlisted men of the Navy, the same as provided for 1933, and an average of 13,600 enlisted men of the Marine Corps as compared with an average of 15,343 men provided for 1933.

The estimate of \$4,400,000 included in this Budget for modernization of battleships is sufficient to complete work on two battleships and to carry forward work on the other ship now in dock.

For construction of new vessels the 1934 estimates total \$38,845,000. This sum, together with the amount of \$5,000,000 to be transferred to this account from the naval supply account fund and an estimated balance of \$9,525,000 to be carried over from 1933, will make available for 1934 a total of \$53,380,000. This amount is ample to continue work at a normal rate of progress on all vessels now under way, and, in addition, on one 8-inch cruiser to be laid down in January, 1933, another such cruiser to be laid down in January, 1934, and four destroyers to be laid down in the first half of the fiscal year 1934. The amount appropriated for 1933 for construction of new vessels was \$18,063,000. In addition, \$7,000,000 was authorized to be transferred from other appropriations and a balance of \$37,817,000 was carried over from 1932, making a total availability for 1933 of \$62,880,000. While the estimates for vessel construction for 1934 are about \$21,000,000 in excess of the appropriation for 1933, the availability for 1934 will be some \$9,500,000 less than the availability for 1933. This difference is largely accounted for in the estimated savings due to the continuation of provisions of the economy act and the anticipated reduction in labor costs.

The present schedule of wages for per diem employees of the Naval Establishment has been in effect since January 1, 1929. A provision of the economy act prohibits a reduction in such wage rates during the fiscal year 1933. This provision is not recommended for continuation through 1934.

A total decrease of \$4,576,000 in the cost of national defense is reflected in this Budget by the inclusion in the Post Office Department chapter of a general provision suspending, for the fiscal year 1934, the reenlistment allowance or bonus to enlisted men. There is certainly at this time no necessity of the military service which justifies the payment of a cash bonus to men for reenlisting in the service.

#### UNEXPENDED BALANCES

Following the policy which I have uniformly pursued and which has had the concurrence of the Congress, I am not recommending that the requirements for 1934 be met in part by a reappropriation or extension of the availability of unexpended balances of appropriations for the fiscal year 1933 except in those cases in which moneys appropriated for a specific nonrecurring project remain unexpended and it is necessary to continue the availability of the funds for the same purpose or purposes for which originally appropriated.

#### CONCLUSION

Notwithstanding the large reduction in expenditures estimated for the current fiscal year below those in the fiscal year 1932 and the increased revenues anticipated during this year under the revenue laws enacted at the last session of Congress, a large excess of expenditures with consequent increase in the public debt is anticipated for the current fiscal year.

Such a situation can not be continued without disaster to the Federal finances. The recommendations herein presented to the Congress for further drastic reductions in expenditures and increased revenues will serve to prevent a further increase in the public debt during the fiscal year 1934 only if Congress will refrain from placing additional burdens upon the Federal Treasury.

I can not too strongly urge that every effort be made to limit expenditures and avoid additional obligations not only in the interest of the already heavily burdened taxpayer but in the interest of the very integrity of the finances of the Federal Government.

HERBERT HOOVER.

DECEMBER 5, 1932.

#### APPENDIX

#### TEXT OF LEGISLATION RECOMMENDED IN THE "MESSAGE TRANSMITTING THE BUDGET"

##### "COMPENSATION REDUCTION OF FEDERAL EMPLOYEES"

"During the fiscal year ending June 30, 1934—

"(a) The compensation for each civilian office, position, or employment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows: Compensation at an annual rate of \$1,000 or less shall be exempt from reduction; and compensation at an annual rate in excess of \$1,000 shall be reduced by 11 per cent of the amount thereof in excess of \$1,000.

"(b) The term 'compensation' shall be defined and computed as provided in subsections (b) and (c) of section 104 of Part II of the act entitled 'An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes,' approved June 30, 1932, in so far as such subsections are applicable to any civilian office, position, or employment.

"(c) In the case of a corporation the majority of the stock of which is owned by the United States, the holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of subsection (a) herein to offices, positions, and employments under such corporation and to officers and employees thereof.

"(d) The reduction provided herein shall not apply to any office, position, or employment the amount of compensation of which is expressly fixed by international agreement; any office, position, or employment the compensation of which is paid under the terms of any contract in effect on the date of the enactment of this act if such compensation may not lawfully be reduced; any office the compensation of which may not, under the Constitution, be diminished during the term of office; any office, position, or employment the compensation for which is adjustable to conform to the prevailing local rate for similar work, but the wage board or other body charged with the duty of making such adjustment shall take such action as may be necessary to make such adjustment effective July 1, 1933; nor to any office, position, or employment the compensation for which is derived from assessments on banks and/or is not paid from the Federal Treasury."

NOTE.—The reductions to be accomplished by the foregoing legislation amount in all to approximately \$55,382,000. This pertains to all of the appropriation items which make provision for personal services. A statement will be made available to the proper committees of Congress showing the amount of the reduction which pertains to each appropriation item.

##### "PROVISIONS AFFECTING VETERANS' ADMINISTRATION"

"(a) Income limitations: Notwithstanding the provisions of law in effect at the date of enactment of this act, except as to those persons who have attained the age of 65 years, or those persons who served in the active military or naval forces and who actually suffered an injury or contracted a disease in line of duty as a result of and directly attributable to such service, or those persons who, in accordance with the World War veterans' act, 1924, as amended, or the laws granting military or naval pensions, are temporarily totally disabled or permanently and totally disabled as a result of disease or injury acquired in, or aggravated by, active military or naval service, or those persons who while in the active military or naval service engaged in actual combat with, were under actual fire of, or served in the zone of active hostilities against, the armed forces of the enemy in any war in which the United States was engaged, no allowance, compensation, retired pay, pension, hospitalization, or domiciliary care under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, the laws governing the granting of domiciliary care by the Veterans' Administration, or the emergency officers' retirement act of May 24, 1928, shall be payable or granted to any person whose net income as defined by the Administrator of Veterans' Affairs, was \$1,500 or over, if single, and \$3,500 or



over, if married, for the year preceding the enactment of this act or the year preceding the filing of application for benefits, whichever is the later. The minimum amounts above specified shall be increased by \$400 for each person dependent upon the applicant during the period prescribed. Such benefits shall not be paid or granted during any year following that in which the net income plus allowance for dependents exceeds the prescribed amounts: *Provided*, That irrespective of the income for a preceding year, upon submission of proof satisfactory to the administrator of reduction in income during the current year below the amounts specified herein, when prorated monthly, such benefits as may otherwise be authorized shall be allowable from the date of administrative determination. Payments of Government insurance, allowance, compensation, retired pay, or pension shall not be considered as income within the provisions of this section. The Secretary of the Treasury is hereby directed upon request, to transmit to the administrator a certificate containing the information required by the administrator to carry out the purposes of this section affecting each person who is applying for or receiving such allowance, compensation, retired pay, pension, hospitalization, or domiciliary care, and such certificate shall be conclusive evidence of the facts stated therein. As to allowance, compensation, retired pay, or pension being paid, or hospitalization or domiciliary care being furnished, at the date of enactment of this act, this section shall take effect six months after such date, and no continuance or granting of allowance, compensation, retired pay, pension, hospitalization, or domiciliary care shall thereafter be authorized except in accordance herewith. As to pending claims and claims filed after the date of enactment of this act, the provisions of this section shall take effect on such date: *Provided*, That this section shall not apply to such persons as are entitled to benefits described in this section on account of the death of any person who served in the active military or naval service.

"(b) Disability allowance: Notwithstanding the provisions of law in effect at the date of enactment of this act, no disability allowance under the World War veterans' act, 1924, as amended, shall be payable to any former soldier, sailor, or marine who is not totally and permanently disabled under the laws and regulations governing the payment thereof: *Provided*, That payment of disability allowance to those former soldiers, sailors, or marines in receipt thereof at the date of enactment of this act shall continue until the first day of the third calendar month following the month during which this act is enacted, but no continuance or granting of disability allowance shall thereafter be authorized except in accordance with this section.

"(c) Veterans in institutions: The first two paragraphs of subdivision (7) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 480), are hereby amended to read as follows:

"Effective as of the first day of the third calendar month following the month during which this amendatory act is enacted, where any person shall have been maintained as an inmate of the United States Soldiers' Home, or of any National or State soldiers' home, or of St. Elizabeths Hospital, or maintained by the Veterans' Administration in an institution or institutions, for a period of 30 days or more, the compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, shall thereafter not exceed \$20 per month so long as he shall thereafter be maintained: *Provided*, That if such person has a wife, a child or children, or dependent parent or parents, the difference between the \$20 and the amount to which the veteran would otherwise be entitled except for the provisions of this subdivision may be paid to the wife, child or children, and dependent parent or parents in accordance with regulations prescribed by the administrator.

"All or any part of such compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, of any mentally incompetent inmate of such institution may, in the discretion of the administrator, be paid to the chief officer of said institution to be properly

accounted for and to be used for the benefit of such inmate: *Provided, however*, That in any case where the estate of such mentally incompetent veteran without dependents, derived from funds paid under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, or the emergency officers' retirement act of May 24, 1928, equals or exceeds \$3,000, payment of compensation, pension, allowance, or retired pay shall be discontinued until the estate is reduced to \$3,000, and this proviso shall apply to payments due or accruing prior or subsequent to the date of enactment of this amendatory act: *Provided further*, That if such person shall recover his reason and shall be discharged from such institution as competent, such sum shall be paid him as is held in trust for him by the United States or any chief officer of an institution as a result of the laws in effect prior and/or subsequent to the enactment of this amendatory act: *Provided further*, That if in the judgment of the administrator a mentally incompetent person without dependents, receiving compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, requires institutional care for his mental condition and his guardian or other person charged with his custody refuses to accept or permit the continuance of the institutional care offered or approved by the administrator, compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, payable, shall not exceed \$20 per month so long as the need for such institutional care shall continue. The administrator in his discretion, upon showing of proper treatment in a recognized reputable private institution, may waive the reduction provided by this subdivision.

"All pensioners who are or may, from the date of enactment of this amendatory act, become inmates of the naval home at Philadelphia, Pa., a naval hospital, the United States Soldiers' Home, Washington, D. C., or of the Veterans' Administration homes, or of St. Elizabeths Hospital, shall have the pension to which they are entitled paid to them directly or to their guardians in case they be insane or otherwise incompetent and under guardianship, except as to payments made to the chief officer of an institution as provided in the preceding paragraph of this section, provided that from and after the enactment of this amendatory act the payment of pensions in all cases where pensioners are under guardianship may be made to the legal guardians of such persons without submission of vouchers."

"(d) Arrested tuberculosis: That paragraph 3 of section 202(7) of the World War veterans' act, as amended (U. S. C., title 38, sec. 480), is hereby amended by adding at the end thereof the following proviso:

"*Provided further*, That the compensation of not less than \$50 per month shall be terminated effective six months after the approval of this amendatory act or five years after the effective date of the award of \$50 per month, whichever is the later."

"(e) Emergency officers' retired pay: In the administration of the act of May 24, 1928, entitled 'An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War' (U. S. C., Supp. V, title 38, secs. 581 and 582), no officer or former officer shall receive retired pay thereunder, unless he served as a member of the Military or Naval Establishment between April 6, 1917, and November 11, 1918, inclusive, and within such period actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to such service, or unless he served a period of 90 days or more between April 6, 1917, and November 11, 1918, inclusive, and actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to service between November 12, 1918, and July 2, 1921, inclusive, and unless he has been or is found by the former Veterans' Bureau or the Veterans' Administration to be not less than 30 per cent permanently

disabled as a result thereof prior to May 24, 1928, or within one year thereafter, in accordance with the rating schedule and amendments promulgated pursuant to subdivision (4) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 477), in force at that time, and unless he is found by the Veterans' Administration to be not less than 30 per cent permanently disabled at the time of the enactment of this act under such rating schedule as amended and in effect at the date of the enactment of this act: *Provided*, That no person shall be retired without pay except in accordance with the foregoing provisions of this section, except that the degree of disability required for retirement without pay shall be less than 30 per cent and more than 10 per cent permanent disability.

"The Veterans' Administration is hereby authorized and directed to review all claims heretofore filed under the emergency officers' retirement act of May 24, 1928, and to remove from the rolls of retired emergency officers the names of such officers as are not found to be entitled to retirement under the first paragraph of this section. The Administrator of Veterans' Affairs is further authorized and directed to cause to be certified to the Secretary of War or the Secretary of the Navy, as the case may be, the names of those officers who are removed from the rolls, and the Secretary of War and the Secretary of the Navy are hereby authorized and directed to drop from the emergency officers' retired list and the Army and Navy registers the names of such officers. Payment of emergency officers' retired pay, in the case of any officer whose name is removed from the rolls or transferred to the list of those retired without pay by reason of the provisions of this section, shall cease on the first day of the third calendar month following the month during which certification or transfer is made, as the case may be. The Administrator of Veterans' Affairs is hereby authorized and directed to transfer the name of each officer removed from the rolls of those entitled to emergency officers' retired pay, to the compensation rolls of the Veterans' Administration and to pay, commencing with the first day of the third calendar month following the month during which certification is made by the administrator of the name of the officer removed from the rolls, as herein provided, compensation in accordance with the provisions of the World War veterans' act, 1924, as amended, notwithstanding that no previous application for compensation has been made.

"The review of all claims authorized and directed under the second paragraph of this section shall be final, except for one reconsideration. No rerating or review shall thereafter be authorized in such claims.

"After the expiration of one year following the enactment of this act no review, appeal, or other consideration shall be authorized in connection with any claim for emergency officers' retirement upon which a decision has at any time been rendered by the Veterans' Administration or Bureau.

"No person shall be entitled to benefits under the provisions of this section, except he shall have made valid application under the provisions of the emergency officers' retirement act of May 24, 1928.

"All provisions of the emergency officers' retirement act of May 24, 1928, in conflict with or inconsistent with the provisions of this section are hereby modified and amended to the extent herein specifically provided and stated as of the date of enactment, May 24, 1928.

"(f) Repeal of per diem allowances: Section 203 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 492), is hereby amended to read as follows:

"SEC. 203. That every person applying for or in receipt of compensation for disability under the provisions of this title and every person applying for treatment under the provisions of subdivisions (9) or (10) of section 202 hereof, shall, as frequently and at such times and places as may be reasonably required, submit himself to examination by a medical officer of the United States or by a duly qualified physician designated or approved by the administrator. He

may have a duly qualified physician designated and paid by him present to participate in such examination. For all examinations he shall, in the discretion of the administrator, be paid his reasonable traveling and other expenses. If he shall neglect or refuse to submit to such examination, or shall in any way obstruct the same, his right to claim compensation under this title shall be suspended until such neglect, refusal, or obstruction ceases. No compensation shall be payable while such neglect, refusal, or obstruction continues, and no compensation shall be payable for the intervening period.'

"(g) Limitation of retroactive benefits: Section 205 of the World War veterans act, 1924, as amended (U. S. C., title 38, sec. 494), is hereby amended to read as follows:

"SEC. 205. The Veterans' Administration may at any time review a claim for benefits under this act, or the laws governing the granting of Army and Navy pensions, and in accordance with the facts found and the law applicable, award, end, diminish, or increase allowance, compensation, or pension, but no allowance, compensation, or pension shall be awarded as a result of such review for any period more than six months prior to date of administrative determination. Where the time for appeal prescribed by regulations has expired a claimant may make application for review upon the evidence of record at the time of the last adjudicatory action but no allowance, compensation, or pension, or increased allowance, compensation, or pension, as a result of such review, shall be awarded for any period more than six months prior to date of application. No review of any claim shall be made except as provided herein. Except in cases of fraud participated in by the beneficiary, no reduction in allowance, compensation, or pension shall be made retroactive, and no reduction or discontinuance of allowance, compensation, or pension shall be effective until the first day of the third calendar month next succeeding that in which such reduction or discontinuance is determined. The proviso in the paragraph under the heading "Pension Office" in the act entitled "An act making appropriations to supply further urgent deficiencies in the appropriations for the fiscal year ending June 30, 1894, and for prior years, and for other purposes," approved December 21, 1893 (U. S. C., title 38, sec. 56), is hereby repealed.'

"(h) Transfer from compensation to pension rolls: The first paragraph of section 200 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 471), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"*Provided further*, That where no active military or naval service was rendered between April 6, 1917, and November 11, 1918, no compensation shall be payable for disability or death resulting from injury suffered or disease contracted during active service in an enlistment entered into after November 11, 1918, or for aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered or contracted in, or such recurrence was caused by, the active military or naval service in an enlistment entered into after November 11, 1918: *Provided further*, That the Administrator of Veterans' Affairs is hereby authorized and directed to transfer to the general pension rolls for the Regular Establishment the names of those persons in receipt of compensation who, by reason of the enactment of this amendatory act, are no longer entitled to compensation, and to pay such persons pension in accordance with the rates provided for their disabilities under the general pension laws, but this transfer shall not take effect until six months following the date of the enactment of this amendatory act: *Provided further*, That this act, as amended, and the laws governing the granting of Army and Navy pensions shall not be construed to deny the right of any person to receive pension on account of active military or naval service subsequent to November 11, 1918: *Provided further*, That the provisions of section 602 of the World

War veterans' act, 1924, as amended, shall not be construed to authorize the payment of compensation contrary to the provisions of this amendatory act.'

"(i) Testimony in suits upon insurance claims: The first paragraph of section 19 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 445), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"Provided further, That in any suit tried under the provisions of this section the court shall not receive, admit, or entertain the testimony of any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, and the date of issuance of the letter of disagreement required by this section shall be the date of denial of the claim, except that if in a preliminary proceeding prior to trial of the claim sued upon, it is shown by the plaintiff to the satisfaction of the court that relevant and material testimony is available from any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, the court shall stay all proceedings in the suit until the statement of such person is submitted to the Administrator of Veterans' Affairs, who shall cause the claim to be immediately reviewed, and in case the administrator allows such claim, the suit shall be dismissed but if the administrator disallows the claim, such person may be a witness in the trial of the cause: *Provided further*, That the last preceding proviso shall apply to all suits pending on the date of the enactment of this amendatory act against the United States under the provisions of the war risk insurance act, as amended, or this act, as amended.'

"(j) Revival of Government insurance restricted: Sections 305 and 309 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, secs. 516, 516b), are hereby repealed as of the date of their enactment, and notwithstanding the provisions of section 602 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 571), no additional payments shall be made under such sections or the third proviso of section 408 of the war risk insurance act, as amended, except to those persons actually receiving payments on the date of enactment of this act, or in those claims where, prior to the date of the enactment of this act, it has been determined by the Veterans' Administration that all or part of the insurance is payable under such sections and the interested person or persons entitled thereto have been informed of such determination: *Provided*, That where a beneficiary receiving insurance payments under such sections dies and there is surviving a widow, child or children, or dependent mother or father, of the veteran, the remaining unpaid installments shall be paid to the following permitted class of beneficiaries in the following order of preference: (1) To the widow of the veteran if living at date of death of the beneficiary; (2) if no widow, then to the child or children of the veteran, share and share alike; (3) if no wife, child, or children, then to the dependent mother of the veteran; (4) if no wife, child or children, or dependent mother, then to the dependent father of the veteran, but no payments under this proviso shall be made to the heirs or legal representatives of any beneficiaries in the permitted class who die before receiving the monthly installments to which they are entitled and the remaining unpaid installments shall be paid to the beneficiary or beneficiaries in the order of preference prescribed in this proviso."

NOTE.—The reductions to be accomplished by the legislation recommended above pertain to appropriations for the Veterans' Administration, as follows:

Salaries and expenses.....	\$2,300,000
Army and Navy pensions.....	11,241,000
Military and naval compensation.....	107,479,000
Military and naval insurance.....	6,000,000
Total.....	127,020,000

HERBERT HOOVER.

DECEMBER 5, 1932.

The VICE PRESIDENT. The President's message with the accompanying Budget will be referred to the Committee on Appropriations and printed.

REPORT OF BELLEAU WOOD MEMORIAL ASSOCIATION

The VICE PRESIDENT laid before the Senate a letter from the honorary president of the Belleau Wood Memorial Association transmitting, pursuant to law, the report of the association for the year ended December 31, 1931, which, with the accompanying report, was referred to the Committee on Military Affairs.

CHANGE IN THE DATE OF THE INAUGURATION

The VICE PRESIDENT laid before the Senate a communication from the Governor of the State of Texas with an accompanying joint resolution of the State legislature, which, with the attached papers, was ordered to lie on the table, as follows:

EXECUTIVE DEPARTMENT,  
Austin, Tex., September 9, 1932.

HON. CHARLES CURTIS,  
President of the Senate of the United States,  
Washington, D. C.

SIR: I attach hereto certified copy of House Joint Resolution No. 1, recently passed by the Forty-second Legislature of Texas, in special session, and approved by me on September 8, 1932, ratifying an amendment passed by the Seventy-second Congress of the United States at its first session, beginning December 7, 1931, which amendment, in substance, provides and fixes the commencement of the terms of President and Vice President and Members of Congress and fixes the time of the assembling of Congress.

Very truly yours,

R. S. STERLING, Governor.

House joint resolution ratifying an amendment to the Constitution of the United States of America passed by the Seventy-second Congress of the United States of America at its first session, begun and held at the city of Washington on Monday, the 7th day of December, 1931, which amendment, in substance, provides and fixes the commencement of the terms of President and Vice President and Members of Congress and fixes the time of the assembling of Congress, and that said amendment shall take effect on the 15th day of October following its ratification; and providing further that this article shall be inoperative unless it shall have been ratified as an amendment to the Constitution within seven years from the date of submission to the States by Congress

PREAMBLE

And whereas both Houses of the Seventy-second Congress of the United States of America at its first session, by a constitutional majority of two-thirds thereof, made the following proposition to amend the Constitution of the United States of America, in substance, to wit:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission."

JOHN N. GARNER,  
*Speaker of the House of Representatives.*  
CHARLES CURTIS,  
*Vice President of the United States  
and President of the Senate.*

Now, therefore, be it  
*Resolved by the Legislature of the State of Texas (by senate and house concurring):*

SECTION 1. That said proposed amendment to the Constitution of the United States of America proposed by the Seventy-second Congress of the United States at its first session, reading as follows, to wit:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January and the terms of Senators and Representatives at noon on the 3d day of January of the years in which such terms would have ended if this article had not been ratified, and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission,"

be, and the same is, hereby ratified by the Legislature of the State of Texas.

SEC. 2. That certified copies of the foregoing preamble and this joint resolution be forwarded by the Governor of the State of Texas to the President of the United States, the Secretary of State of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

EDGAR E. WITT,  
*President of the Senate.*  
FRED H. MINOT,  
*Speaker of the House.*

I hereby certify that House Joint Resolution No. 1 was passed by the house on September 1, 1932, by the following vote: Yeas 125, nays 0.

LOUISE SNOW PHINNEY,  
*Chief Clerk of the House.*

I hereby certify that House Joint Resolution No. 1 was passed by the senate on September 7, 1932, by the following vote: Yeas 27, nays 0.

BOB BARKER,  
*Secretary of the Senate.*

Received state department, September 8, 1932, Austin, Tex.

JAMES Y. MCCALLUM,  
*Secretary of State.*

Received in the executive office this 8th day of September, 1932, at 9 o'clock a. m.

M. L. WIGINTON,  
*Secretary to the Governor.*

Approved September 8, 1932.

R. S. STERLING,  
*Governor.*

THE STATE OF TEXAS,  
DEPARTMENT OF STATE.

I, Jane Y. McCallum, secretary of state of the State of Texas, do hereby certify that the foregoing is a true and correct copy of House Joint Resolution 1 passed at the third called session, forty-second legislature, with the indorsement thereon, as now appears of record in this department.

In testimony whereof I have hereunto signed my name officially and caused to be impressed hereon the seal of state at my office in the city of Austin, this 9th day of September, A. D. 1932.

[SEAL.]

JANE Y. MCCALLUM,  
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate a communication from the Governor of the State of Alabama with an accompanying joint resolution of the State legislature, which, with the attached papers, was ordered to lie on the table, as follows:

STATE OF ALABAMA,  
EXECUTIVE DEPARTMENT,  
Montgomery, September 22, 1932.

The PRESIDING OFFICER OF THE UNITED STATES SENATE,  
Washington, D. C.

DEAR SIR: Pursuant to section 2 of House Joint Resolution No. 13, adopted by the Legislature of Alabama, ratifying a proposed amendment to the Constitution of the United States, fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress, I, as Governor of Alabama, herewith transmit to you a copy of said House Joint Resolution No. 13, duly certified as required by law.

Respectfully,

B. M. MILLER,  
*Governor of Alabama.*

House Joint Resolution 13

Whereas both Houses of the Seventy-second Congress of the United States of America by constitutional majority of two-thirds thereof proposed an amendment to the Constitution of the United States which should be valid to all intents and purposes as a part of the Constitution of the United States when ratified by the legislatures of three-fourths of the States, which resolution is in words and figures following, to wit:

Joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein),* That the following amendment to the Constitution be, and hereby is, proposed to the States to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January and the terms of Senators and Representatives at noon on the 3d day of January of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January unless they shall by law appoint a different day.

"SEC. 3. If at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission."

Now, therefore, be it

*Resolved by the House of Representatives of the Legislature of Alabama (the Senate concurring therein):*

SECTION 1. That said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of Alabama.

SEC. 2. That certified copies of this preamble and joint resolution be forwarded by the governor of this State to the Secretary of State at Washington, D. C., to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

A. M. TUNSTALL,  
*Speaker of the House of Representatives.*

HUGH D. MERRILL,  
*Lieutenant Governor and Presiding Officer of the Senate.*

Approved September 17, 1932.

B. M. MILLER, *Governor.*

THE STATE OF ALABAMA,  
DEPARTMENT OF STATE.

I, Pete B. Jarman, jr., secretary of state of the State of Alabama, having custody of the great and principal seal of said State, do hereby certify that the pages hereto attached contain a true, accurate, and literal copy of House Joint Resolution 13, approved September 17, 1932.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State, at the capitol, in the city of Montgomery, this 23d day of September, 1932.

[SEAL.]

PETE B. JARMAN, JR.,  
Secretary of State.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Alabama, which was referred to the Committee on Banking and Currency:

House Joint Resolution 152

Whereas the price of corn, cotton, wheat, and other farm products has been, during the past several years, and is now, materially below the actual cost of production of said products; and

Whereas thousands of farmers in the United States obtained loans, secured by mortgages upon their homes and farms, from the Federal land banks at a time when the prices of farm products were materially higher than at the present time; and

Whereas many thousands of these farmers are now faced with foreclosure of the mortgages securing their loans and the consequent loss of their homes and farms because of conditions over which they have had no control: Now, therefore, be it

*Resolved by the House of Representatives of Alabama (the Senate concurring),* That we hereby memorialize and petition the Congress of the United States of America to enact such legislation at the next session of Congress as will give immediate relief to those farmers who are about to, or have already, lost their homes and farms, and to so deal with the question of farm mortgages that further foreclosures may be prevented; that lower interest rates may be provided and that, if need be, a moratorium of from three to five years be provided for on said loans in all cases in which it is reasonably made to appear that the borrower is unable to pay the installments on said loan. That the Governor of Alabama immediately upon the passage of this resolution transmit a duly authenticated copy of the same to the Speaker of the House of Representatives, the President of the United States Senate, and to each Congressman and United States Senator from Alabama.

Approved November 8, 1932.

THE STATE OF ALABAMA,  
DEPARTMENT OF STATE.

I, Pete B. Jarman, jr., secretary of state of the State of Alabama, do hereby certify that the pages hereto attached, contain a true, accurate and literal copy of House Joint Resolution 152, by Snodgrass, approved November 8, 1932, as the same appears on file and of record in this office.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State, at the capitol, in the city of Montgomery, this 8th day of November, 1932.

[SEAL.]

PETE B. JARMAN, JR.,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Illinois, which was referred to the Committee on Education and Labor:

House Resolution 5

Whereas there exists in America at present a condition of unemployment which is unprecedented in the history of our country, and many of the millions of our patriotic and loyal citizens who are suffering from unemployment are without sufficient food, shelter, and clothing; and

Whereas the American Federation of Labor has made a comprehensive study of the problems of unemployment and has submitted a legislative program to Congress which is designed to relieve this condition: Now, therefore, be it

*Resolved by the house of representatives of the fifty-seventh general assembly at the third special session thereof,* That the President of the United States and the Senate and House of Representatives of the present Congress be memorialized to enact legislation in so far as reasonably possible to carry out the program designed for unemployment relief which was recently submitted to Congress by the American Federation of Labor; and be it further

*Resolved,* That a copy of this preamble and resolution be forwarded to the President of the Senate and the Speaker of the House of Representatives of the present Congress, and to each Senator and Representative therein from the State of Illinois.

I hereby certify the foregoing to be a true copy of a resolution adopted by the House of Representatives of the State of Illinois on the 10th day of February, A. D. 1932.

GEO. C. BLAEUER, Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the

State of Illinois, which was referred to the Committee on the Judiciary:

House Resolution 13

Whereas the Seventy-second Congress of the United States has convened and has many measures before it for consideration; and

Whereas among the most important of these measures are those modifying or repealing the Volstead law and granting to the several States the power and authority to determine whether they shall legalize and permit the sale of light wines and beer; and

Whereas the governor of this State has convened the general assembly in special session, mainly for the purpose of enacting legislation to relieve owners of real property of the burden of taxation and providing new sources of revenue and to provide unemployment relief and agricultural relief; and

Whereas the people of this State have already voted overwhelmingly in favor of the legalization of light wines and beer; and

Whereas if the Congress of the United States would authorize this State to legalize and tax the sale of light wines and beer, a large amount of revenue would be derived from such tax, which the people of this State would willingly pay; and

Whereas the sale and taxation of light wines and beer in this State would produce a large amount of revenue annually and relieve the burden of the owners of real property, would furnish employment to thousands of unemployed, and would provide a market for large quantities of the surplus of farm products: Now, therefore, be it

*Resolved by the House of Representatives of the Fifty-seventh General Assembly of the State of Illinois,* That the President and Congress of the United States be memorialized to immediately enact legislation which will permit the several States to legalize and tax the sale of light wines and beer; and be it further

*Resolved,* That a copy of this preamble and resolution be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the present Congress, and to each Senator and Representative therein from the State of Illinois.

I hereby certify the foregoing to be a true copy of a resolution adopted by the House of Representatives of the State of Illinois on the 27th day of April, A. D. 1932.

GEORGE C. BLAEUER,  
Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Puerto Rico, which was referred to the Committee on Territories and Insular Affairs:

Resolución concurrente para solicitar del Congreso de los Estados Unidos que autorice a la Asamblea Legislativa de Puerto Rico a legislar en materia de prohibición

Por cuanto, existe ambiente favorable, tanto en Puerto Rico como en la mayoría de los estados de la Unión Americana, en favor de la derogación de la ley de prohibición en vigor, o de su alteración en forma tal que permita la libre venta de licores suaves;

Por cuanto, el Congreso de los Estados Unidos de América habrá de reunirse en su sesión corta de diciembre, y dado el ambiente existente, es factible que se adopten medidas tendientes a conseguir dicha derogación o alteración de la ley prohibicionista, y de conseguirse alguna medida aplicable a Puerto Rico, gozaría el país desde ahora de las ventajas consiguientes a la aprobación de la misma;

Por cuanto, es una necesidad imperiosa en Puerto Rico arbitrar recursos para el sostenimiento de las cargas del gobierno, sin aumentar la contribución territorial ni ninguna otra de las que en la actualidad soporta el contribuyente del país; y la derogación o alteración de dicha Ley de Prohibición traería como secuela inmediata la entrada de importantes cantidades con las cuales solventar los déficits del erario público: Por tanto

*Resuélvese por la Cámara de Representantes con la concurrencia del Senado de Puerto Rico:*

Primero. Solicitar del Congreso de los Estados Unidos de América la aprobación de legislación facultando a la Asamblea Legislativa de Puerto Rico para legislar libremente en materia de prohibición, de acuerdo con los mejores intereses de El Pueblo de Puerto Rico.

Segundo. Solicitar del Honorable Gobernador de Puerto Rico y del Comisionado Residente en los Estados Unidos que presten su cooperación o influencia para el éxito de los objetivos que informan esta solicitud, interesando a los líderes del Congreso en los propósitos y fines de esta resolución.

RAFAEL ALONZO TORRES,  
Presidente, Cámara de Representantes.  
L. SANCHEZ MORALES,  
Presidente, Senado de Puerto Rico.

GOVERNMENT OF PUERTO RICO,  
BUREAU OF TRANSLATIONS,  
San Juan, P. R., November 15, 1932.

Herminio Padial, chief of the bureau of translations of the Legislature of Puerto Rico, hereby certifies to the Governor of Puerto Rico, and George W. Roberts, assistant chief of the said bureau, certifies to the president of the Senate and to the speaker of the House of Representatives of Puerto Rico that each of them has duly compared the English and Spanish texts of a certain act (H. C. R. 1) of the fifth special session of the Twelfth Legislature

of Puerto Rico entitled "Concurrent resolution requesting the Congress of the United States to authorize the Legislature of Puerto Rico to legislate in the matter of prohibition," and finds that the same are full, true, and correct versions of each other.

H. PADIAL,  
Chief, Bureau of Translations.  
GEO. W. ROBERTS,  
Assistant Chief, Bureau of Translations.

[Translation]

Concurrent resolution requesting the Congress of the United States to authorize the Legislature of Puerto Rico to legislate in the matter of prohibition

Whereas in Puerto Rico as well as in the majority of the States of the American Union there is a favorable atmosphere for the repeal of the prohibition law in force or for its modification in such form as to allow the free sale of mild liquors;

Whereas the Congress of the United States of America will meet in short session in December, and given the existing atmosphere it is possible that measures will be adopted tending to obtain said repeal or modification of the prohibition law, and should a measure applicable to Puerto Rico be enacted the island would from the present moment enjoy the advantages consequent upon the approval of such measure;

Whereas it is imperiously necessary in Puerto Rico to raise means to meet government expenses without increasing the land tax or any other tax now burdening the taxpayers of the country, and the repeal or modification of said prohibition law would result in the immediate receipt of important amounts wherewith to meet the deficits of the public treasury: Now, therefore, be it

Resolved by the House of Representatives (the Senate of Puerto Rico concurring):

First. To request the Congress of the United States of America to enact legislation empowering the Legislature of Puerto Rico to legislate freely in the matter of prohibition, according to the best interests of the people of Puerto Rico.

Second. To request the Governor of Puerto Rico and the Resident Commissioner in the United States to lend their cooperation and influence to the success of the objectives informed by this resolution by interesting the leaders of Congress in the purposes and ends hereof.

RAFAEL MOUTO TORRES,  
Speaker House of Representatives.  
L. SANCHEZ MORALES,  
President of the Senate.

The VICE PRESIDENT also laid before the Senate a petition of sundry citizens of the United States, praying for the passage of legislation to regulate production by labor-saving machinery, which was referred to the Committee on Education and Labor.

He also laid before the Senate the petition of J. C. Lang, of Minneapolis, Minn., praying for the enactment of legislation to better safeguard creditor interests under the national bankruptcy act, which was referred to the Committee on the Judiciary.

He also laid before the Senate memorials of citizens of the States of Kansas, Missouri, New York, Massachusetts, California, and Pennsylvania remonstrating against the repeal of the national prohibition amendment to the Constitution or the modification of the prohibition enforcement act so as to permit the manufacture and sale of beer and wine, which were referred to the Committee on the Judiciary.

He also laid before the Senate the petition of American Legion Post No. 43, of Patillas, P. R., praying for the repeal of the national prohibition amendment to the Constitution, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted at New York City by the United Restaurant Owners' Association (Inc.), of the State of New York, praying for the modification of the prohibition enforcement act so as to permit the sale of beer and light wines, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution of the city council of the city of Cambridge, Mass., favoring the enactment of legislation to legalize the manufacture and sale of beer with a 4 per cent alcoholic content, which was referred to the Committee on the Judiciary.

He also laid before the Senate the petition of the United Victims of Ginger Paralysis Association, of Oklahoma City, Okla., praying for an investigation of the sale of a pharmaceutical preparation labeled "fluid extract of ginger, U. S. P.," which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a plan for legislation to control the production and surplus of agricultural products

prepared by John Vaaler, of Crosby, N. Dak., which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution adopted by the Kiwanis Club of Milwaukee, Wis., favoring the ratification of the Great Lakes-St. Lawrence seaway treaty with Canada, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a memorial of the Bar Association of Hawaii, of Honolulu, Hawaii, remonstrating against the passage of Senate bill 4311, to consolidate the Territorial and Federal courts and administration in the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a resolution adopted at Milwaukee, Wis., by the National Commandery Naval and Military Order of the Spanish-American War, favoring the making of adequate appropriations for the maintenance of the Army and Navy, which was referred to the Committee on Appropriations.

He also laid before the Senate petitions of sundry citizens and organizations of the several States praying the making of an appropriation for winter relief and immediate unemployment insurance from the Federal Government, which were referred to the Committee on Appropriations.

He also laid before the Senate the petition of John H. Taws, of Philadelphia, Pa., praying for the regulation of motor trucks and busses and remonstrating against subsidizing water and other forms of transportation, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by the Council of the Seneca Nation of Indians, held on the Allegany Indian Reservation in the State of New York, requesting copies of legislation affecting the Seneca Nation, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from Edward Melve, of Souderton, Pa., amending his petition praying for a congressional investigation of his claim as the first inventor of the wireless telephone, which was referred to the Committee on Patents.

He also laid before the Senate resolutions adopted at Boston, Mass., by the National Council of State Garden Club Federations, favoring the passage of legislation to establish the Everglades National Park in Florida, the Ouchita National Park in Arkansas, and to prevent injury to grazing lands and stabilize the livestock industry dependent upon public ranges, which were referred to the Committee on Public Lands and Surveys.

He also laid before the Senate the petition of Moses M. Ashley, of Long Island City, N. Y., praying for the passage of legislation imposing a tax on machinery, which was referred to the Committee on Finance.

He also laid before the Senate the memorial of Magnet Lodge, No. 227, Brotherhood of Locomotive Firemen and Enginemen, of Binghamton, N. Y., remonstrating against the curtailment of benefits accorded to war veterans, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the National Hardwood Lumber Association at Chicago, Ill., favoring the exclusion of importations from Soviet Russia, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the United Irish-American Societies of New York and the Second Oregon Volunteer Infantry Reunion Association of the Spanish-American War, of Portland, Oreg., remonstrating against the reduction or cancellation of debts due the United States from foreign countries, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted at the annual session of the Order of United Commercial Travelers of America, favoring the imposition of a manufacturers' sales tax and the enactment of legislation to provide a fund to be known as the manufacturers' relief fund to enable manufacturers to make loans for the operation of their factories and business, which were referred to the Committee on Finance.

He also laid before the Senate a plan for unemployment relief of Henry Woodhouse, of New York City, by means of

loans to States through the Reconstruction Finance Corporation, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted at Kingsburg, Calif., by the League of Municipalities of the South San Joaquin Valley, favoring economies in the operation of the National Government and the enactment of legislation to prevent disastrous fluctuations in credit, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a plan of Murray Kay, of New York City, to raise money for unemployment relief and for the reduction of the public debt, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of the League of Wisconsin Municipalities, adopted at Menasha, Wis., favoring the enactment of legislation to grant cities, villages, and counties the privilege of depositing their bonds and securing currency so as to reduce the interest payments on their public debt, which was referred to the Committee on Banking and Currency.

He also laid before the Senate the petition of Mrs. E. Nordlander, of Chicago, Ill., praying for relief from foreclosure of mortgage and the sale of her home for taxes, which was referred to the Committee on Banking and Currency.

He also laid before the Senate petitions of the Ada (Ohio) branch of the American Association of University Women and the Synod of the Reformed Presbyterian Church of North America, of Greeley, Colo., praying for the prompt ratification of the World Court protocols, which were ordered to lie on the table.

He also laid before the Senate a resolution adopted at French Lick, Ind., by the Grain and Feed Dealers National Association favoring an investigation of the activities of the Federal Farm Board and the methods of trading in grain on exchanges, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Dan Colello Association (Inc.), of Jersey City, N. J., favoring the reelection of Herbert Hoover and Charles Curtis as President and Vice President, respectively, of the United States, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Invincible Club, of New York State, favoring the reelection of Herbert Hoover and Charles Curtis as President and Vice President, respectively, of the United States, which was ordered to lie on the table.

He also laid before the Senate a resolution of condolence on the death of Hon. Wesley L. Jones, late a Senator from the State of Washington, adopted by the Women's King County Republican Club, of Seattle, Wash., which was ordered to lie on the table.

He also laid before the Senate a telegram from the national secretary of the John Reed Clubs of the United States and the chairman of a mass meeting of workers in the Bronx, respectively, of New York City, favoring the reception in Washington without molestation of the so-called hunger marchers, which was ordered to lie on the table.

He also laid before the Senate memorials of sundry citizens of the United States remonstrating against the enactment of legislation providing for the exclusion and expulsion of alien communists, which were ordered to lie on the table.

He also laid before the Senate a letter from the Secretary of War, transmitting a resolution adopted by the Planters Association of Barotac-Dumangas (Inc.), Barotac Nuevo, Iloilo, P. I., protesting against the passage of legislation restricting the free entry of Philippine products into the United States, which, with the accompanying resolution, was ordered to lie on the table.

He also laid before the Senate resolutions of the municipal government of Burgos, Province of Ilocos Norte, P. I., and the legislative commission from the Philippines in the United States, favoring the immediate independence of the Philippines, which were ordered to lie on the table.

He also laid before the Senate a cablegram from Emilio Aguinaldo, president of the Philippine Veterans' Association, of Manila, P. I., relative to relations to be maintained be-

tween the Governments of the United States and the Philippine Islands during the period prior to complete independence, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted at San Francisco, Calif., by the Northern Baptist Convention, favoring the Federal supervision and regulation of the motion-picture industry, which was ordered to lie on the table.

Mr. WALCOTT presented the petition of Frank W. Gray, pastor, and sundry members of the Methodist Episcopal Church of East Hartford, Conn., praying for the passage of House Joint Resolution 320, proposing a constitutional amendment to prohibit sectarian appropriations, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Women's Society of the First Baptist Church, of Bristol, Conn., protesting against the passage of legislation to legalize any form of intoxicating liquors, and favoring the retention and strict enforcement of the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

He also presented a memorial of members of the Methodist Episcopal Church, of South Manchester, Conn., remonstrating against the passage of legislation to repeal or modify the Volstead Act and the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Women's Home Missionary Society of the Methodist Church, of Milford, Conn., favoring the passage of legislation for the Federal supervision and regulation of the motion-picture industry, which was ordered to lie on the table.

He also presented resolutions adopted by the Washington Park Auxiliary of the Woman's Home Missionary Society, of Bridgeport; the Woman's Home Missionary Society of the Methodist Church, of Milford; and the New England Regional Conference of the National Council of Jewish Women, of Hartford, all in the State of Connecticut, favoring the prompt ratification of the World Court protocols, which were ordered to lie on the table.

He also presented petitions of the following American Legion Auxiliary units: Taftville, No. 104, Taftville; Seicheprey, No. 2, Bristol; Gensi-Viola, No. 36, Windsor Locks; Milford, No. 34, Milford; Treadway-Cavanaugh, No. 64, East Hampton; Coyle Post, No. 1, Waterbury; Robert O. Fletcher, No. 4, Norwich; William H. Gordon, Ansonia; Woodstock, No. 111, Woodstock; Meriden, No. 45, Meriden; Dilworth-Cornell, No. 102, Manchester; Ernest Godreau, No. 91, Moosup; Westbrook unit, Westbrook; Lamson-O'Donnell, No. 46, Goshen; Gray-Dickinson, No. 59, Windsor; Morgan-Weir Post, No. 27, Litchfield; Eddy-Glover, No. 6, New Britain; YD Unit, No. 130, New Haven; Carlson-Sjovall, No. 105, Cromwell; Harry G. Faulk, No. 113, Old Saybrook; Ezra Woods, No. 31, New Milford; Brown-Landers, No. 77, East Hartford; Stanley Dobasz, Rockville; Emil Senger, No. 10, Seymour; Robert A. LaPlace, No. 18, Essex, second and fourth districts, all in the State of Connecticut, praying for the passage of House bill 4633, the so-called widows' and orphans' pension bill, which were referred to the Committee on Pensions.

Mr. COPELAND. Mr. President, I have here memorials, largely from the church people of my State, which have been given me by Mrs. D. Leigh Colvin, president of the New York Woman's Christian Temperance Union. She has classified them. I find that there are 48,653 signatures, representing every county in my State; and I ask that they be referred to the Committee on the Judiciary.

The VICE PRESIDENT. The petitions will be received and so referred.

The memorials above referred to, numerously signed by sundry citizens of the State of New York (presented by Mr. COPELAND), remonstrating against the passage of legislation legalizing alcoholic liquors stronger than one-half of 1 per cent, were referred to the Committee on the Judiciary.

Mr. COPELAND also presented the memorial of E. J. Rulifson and sundry other citizens of Mayfield, N. Y., remonstrating against the repeal or resubmission of the

eighteenth amendment of the Constitution or the passage of any legislation weakening its enforcement, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Utica, N. Y., praying for the adoption of the so-called "stop alien representation" amendment to the Constitution, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by Copake Grange, No. 935, Patrons of Husbandry, of Copake, N. Y., praying for the passage of legislation effecting a moratorium on all farm mortgages for the next three years, which were referred to the Committee on Banking and Currency.

He also presented petitions of sundry church missionary societies in the State of New York, praying for the prompt ratification of the World Court protocols, which were ordered to lie on the table.

He also presented petitions of sundry church missionary societies in the State of New York, praying for the Federal supervision and regulation of the motion-picture industry, which were ordered to lie on the table.

#### AGRICULTURAL RELIEF

Mr. COPELAND. Mr. President, I have a letter from the Corn Exchange of Buffalo, N. Y., inclosing a statement issued by authority of that organization in opposition to the so-called allotment plan. This is so well written that I ask that it be printed in the RECORD and then referred to the Committee on Agriculture and Forestry.

There being no objection, the letter and statement were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

BUFFALO, N. Y., December 5, 1932.

HON. ROYAL S. COPELAND,

Senate Office Building, Washington, D. C.

DEAR SENATOR COPELAND: We inclose herewith copy of statement issued by the undersigned organization in opposition to the Hope bill, H. R. 12918; also Norbeck bill, S. 4985, companion measures offered as a relief to agriculture, and styled "Voluntary Domestic Allotment Plan."

The above measures were introduced during the closing days of the last session of Congress and it is expected will be brought forward for consideration at the present session.

In view of the wide publicity given to the question of farm relief legislation as proposed in the measures referred to, it is possible that entirely new measures, by either the same or different sponsors, may be introduced.

Our objections are aimed against the unsoundness and impracticability of the basic principles involved in the voluntary domestic allotment plan or to any other governmental activity through any means whatsoever seeking to regulate, stabilize, or fix the price of commodities or to artificially control production.

We urge your most careful analysis of the particular bills referred to, as well as any new measures that may be introduced along these lines.

Very respectfully yours,

THE CORN EXCHANGE OF BUFFALO.  
FRED E. POND, Secretary.

[Inclosure]

STATEMENT ISSUED BY AUTHORITY OF THE BOARD OF DIRECTORS OF THE BUFFALO CORN EXCHANGE, BUFFALO, N. Y., OPPOSING NORBECK BILL, S. 4985, AND HOPE BILL, H. R. 12918

The Corn Exchange of Buffalo is opposed to legislation of the nature of the voluntary domestic allotment plan as proposed in Norbeck bill, S. 4985, and Hope bill, H. R. 12918, or to any suggested governmental activity setting forth principles of similar character.

Briefly, the voluntary domestic allotment plan proposes to establish a tariff (tax against the American consumer) effective on farm products of which there is an exportable surplus.

It is a proposed legislative effort to stabilize the price of agricultural commodities—wheat, cotton, etc.—at or near the pre-war exchange value for farm products.

The plan, to become operative, must be requested by at least 60 per cent of the producers of any farm product of which there is an exportable surplus. Whereupon the Federal Government agrees to collect from the processors—flour millers, packers, etc.—through an excise tax, to be ultimately charged against the cost of commodities, for the amount of the tariff on all of the products processed for domestic human consumption.

The tax thus collected, less Government cost of administration, would be allotted to and paid each year to the producers, parties to the agreement, in the proportion of the average production of each participating producer, based on the preceding five years' yield.

The conditions under which the producer is to participate in this allotment (Government bounty) is that he shall sign a contract with the Government, at the beginning of each allotment year, wherein he agrees to such horizontal reduction in his production,

in acres to be planted or pounds of livestock to be marketed, as shall be dictated by the Federal administrative agency.

The plan proposes Federal legislation to stabilize the price of agricultural commodities through reduced production by offering an incentive therefor through the medium of money compensation in the form of special taxation against the body politic.

We submit the following objections to the voluntary domestic allotment plan with the view of attracting congressional attention to these proposals, the careful perusal of which instantly portrays the unsound and theoretical premise upon which they are based. A careful reading of the proposed measures will, we believe, expose the impracticability of the principles set forth:

First. The fundamentals of the proposed plan do not savor of the principles of legislation as bespeaks the high dignity and sound judgment of our Government in seeking to protect the interests of all of the people without special favor to preferred classes.

Second. It is contrary to the principles of the United States Constitution which grants power only to "lay and collect taxes, duties, imposts, and excises to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States." This plan of taxation would necessarily be a special tax for the benefit of a limited group of producers, or a series of special taxes for special preferred groups.

Third. The voluntary domestic allotment plan represents the payment of a Government bounty in the form of special taxation against the consumer through increased cost of commodities, to be contributed (less Government expense of operation) to special classes of producers to curtail production in order to avoid price depressing surpluses, thereby attempting to create a basis for price stimulation. It is offering gratuity to the producer to render aid to himself, whereas the means of relief from depressed conditions is within his power, right, and duty to render to himself through the exercise of his will and agencies at his own command.

Fourth. It is a proposal to artificially accomplish the results which would naturally attain from the normal application of the economics of demand and supply. It is impractical in that it offers no sound fundamental basis upon which to develop and maintain a permanent structure for the growth, control, and disposition of commodities.

Fifth. The plan creates a stimulus to develop new fields for agricultural production in order that the producer may qualify as a recipient of the cash bounty at the expense of the consumer. This stimulates production and defeats the purpose of the project.

Sixth. The proposals are a verification of the fallacies of the United States agricultural marketing act of 1929 as an aid to the American farmer in the attempt of the United States Government to stabilize prices of agricultural products in contravention of the operation of the law of supply and demand. This proposed legislation is an offer of the Government to legislate a bounty to be paid to the producer in the form of a special tax assessed against the American taxpayer provided the producer will reduce his acreage planted to farm products according to specific limitations ordered by the Government.

Seventh. Basically, the enactment of the voluntary domestic allotment plan would not be legislation—it would constitute an agreement or an arrangement between the United States Government and a limited portion of its receptive-minded citizens engaged in agriculture whereby the Federal Government assumes the initiative in setting up a special tax against the American householder; becomes the tax-collection agency against all of its people; and remits the proceeds of the tax to the selected few producers who agree to minimize their agricultural activities under Government dictation and regulation.

#### BILLS INTRODUCED

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

By Mr. AUSTIN:

A bill (S. 5059) to extend the time for completion of a bridge across Lake Champlain at or near Rouses Point, N. Y., and a point at or near Alburgh, Vt.; to the Committee on Commerce.

By Mr. COHEN:

A bill (S. 5060) granting a pension to Clarence Allen; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 5061) granting an increase of pension to Elizabeth Burrell (with accompanying papers);

A bill (S. 5062) granting an increase of pension to George Neill (with accompanying papers);

A bill (S. 5063) granting an increase of pension to Susie D. Hanscome (with accompanying papers);

A bill (S. 5064) granting an increase of pension to Margaret Thompson (with accompanying papers);

A bill (S. 5065) granting an increase of pension to Charlotte W. Stevens (with accompanying papers);

A bill (S. 5066) granting an increase of pension to Clara A. Colby (with accompanying papers);



A bill (S. 5067) granting a pension to Angie L. Moulton (with accompanying papers); and

A bill (S. 5068) granting a pension to Alice L. Preston (with accompanying papers); to the Committee on Pensions.

By Mr. BULKLEY:

A bill (S. 5069) granting a pension to Richard R. Denton (with accompanying papers);

A bill (S. 5070) granting an increase of pension to Margaret Jane Loar (with accompanying papers);

A bill (S. 5071) granting an increase of pension to Polly Fuller (with accompanying papers); and

A bill (S. 5072) granting an increase of pension to Lucy Montgomery (with accompanying papers); to the Committee on Pensions.

By Mr. ASHURST:

A bill (S. 5073) providing for a mine rescue station in Arizona; to the Committee on Mines and Mining.

By Mr. KEYES:

A bill (S. 5074) for the refund of customs duty paid by Salvatore Lascari on an importation of mosaic paintings for the Moody Currier Art Gallery in Manchester, N. H.; to the Committee on Finance.

By Mr. HASTINGS (for Mr. HEBERT):

A bill (S. 5075) to provide protection by registration of designs for textiles and other materials; to the Committee on Patents.

By Mr. WHEELER:

A bill (S. 5077) to extend the time of payment of certain loans made to farmers by the Secretary of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. WALSH of Massachusetts:

A bill (S. 5078) granting an increase of pension to Lucy J. Whipple (with accompanying papers); to the Committee on Pensions.

By Mr. DALE:

A bill (S. 5079) granting an increase of pension to Sarah E. Harran (with accompanying papers);

A bill (S. 5080) granting an increase of pension to Eola E. Manley (with accompanying papers); and

A bill (S. 5081) granting an increase of pension to Eliza C. Lower (with accompanying papers); to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 5082) for the relief of the Community Investment Co. (Inc.); to the Committee on Claims.

A bill (S. 5083) for the relief of Wilson G. Bingham; to the Committee on Finance.

A bill (S. 5084) granting a pension to Edward E. Harding; to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 5085) for the relief of Leslie Jensen; to the Committee on Claims.

#### FEDERAL HOME-LOAN BANKS

Mr. BORAH. Mr. President, I desire to introduce a bill, and I ask permission of the Senate to make a brief statement with regard to it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator is recognized.

Mr. BORAH. Mr. President, this is a bill to repeal an act to create the Federal home-loan bank, excepting therefrom section 29.

I introduce this bill with the sincere desire to bring this matter to the immediate attention of the Congress.

In my opinion the act has proven, and will continue to prove, wholly unsatisfactory. It is not reaching and, in my judgment, will not reach the home owner or those who are really in need of assistance, those who should have help if the Government is going to enter into the matter at all.

During the discussion of this matter the question was brought up as to whether it would reach the home owner and prove of any real benefit to him.

I read briefly from the CONGRESSIONAL RECORD, reporting the debates upon this bill when it was being considered in the Senate:

Mr. BORAH. I suppose the thing in which we are all interested is having a bill which will reach the home owner. \* \* \* The gentleman appearing before the committee from whom the Senator from Michigan [Mr. COUZENS] read, Mr. Adams, says this bill does not comply with the President's idea and that it will not benefit the small home owner. To my mind, we ought to stop right here and settle that question. If there is a way to reach the small home owner and to know we are going to reach him, above all things in the world, we want to know that fact.

As the result of that discussion, in which a number of Senators took part, the Senator from Michigan [Mr. COUZENS] proposed an amendment to the bill which it was thought would give it some real beneficial effect in that respect; but the manner in which it is being administered, the rules which have been adopted, and the observations which I have been able to make, convince me that the law must be either repealed or drastically amended. My own judgment is that it can not be amended so as to be effective; but I have introduced the bill for repeal, desirous of bringing both propositions to the consideration of Congress.

I desire to read here a circular which has been issued by the Home Loan Bank of Portland. In this circular it is said:

Those desiring first-mortgage loans on homes should first call the building and loan associations, savings and loan associations, agents of insurance companies, or other mortgage-lending institutions in their localities. Where such eligible institutions require additional funds to lend on first mortgages, they may obtain it by joining the Federal home-loan bank system. In States where the laws do not permit otherwise eligible institutions to purchase stock and join the system steps are being taken to amend the laws at approaching legislative sessions.

There may be a minor exception to the above statement—

This refers to the Couzens amendment—

but its extent is not yet determined. An amendment was included in the law to make sure that home owners are served by the member institutions. Under this clause the Home Loan Bank of Portland may consider direct applications for home loans from individuals, if the existing home-lending agencies do not meet legitimate needs. A policy on that point will be established after the eligible institutions have first had an opportunity to serve. It is now known, however, that if the bank eventually makes any such loans, they will be limited to 40 per cent of the fair appraisal on homes occupied by the owner who can show his ability to make regular payments.

I feel very certain, Mr. President, that we are going to build up a tremendous institution at very great expense to the Government without any real benefit to the home owners and home builders in the United States.

The VICE PRESIDENT. The bill will be received and properly referred.

The bill (S. 5076) to repeal "An act to create Federal home loan banks, to provide for the supervision thereof, and for other purposes," approved July 22, 1932, was read twice by its title and referred to the Committee on Banking and Currency.

Mr. COPELAND. Mr. President, I ask unanimous consent, because I know it will be out of order otherwise, to say a word in reply to what the Senator from Idaho has said.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. COPELAND. Mr. President, as one who has long been in favor of this home-loan bank plan, I recognize with regret that the law has accomplished very little, if anything, up to this moment.

There were those of us who took part in the debate who pointed out the unwisdom, if I may use that word, of having national banks participate in the benefits of this act, or of having national bankers share in its operations. The matter of home loans of necessity involves a long-term amortized mortgage. The whole theory of such loans is obnoxious to the national banker.

I think the President of the United States made a great mistake in his organization of the Home Loan Bank board of directors. He placed upon this board two national bankers. He made a national banker the chairman of the board. There has not been that anxiety that there should have been on the part of the building and loan associations to cooperate because of their disappointment over the personnel of the board.

I could say even more than that, but I do not want to be disagreeable. I simply hint at the possibility that the chairman of the board has been too active in the last few months in other enterprises than in this particular one.

Mr. President, in my opinion, this system has in it the possibility of great use to the country. I think it would be a mistake for us now to repeal this law. We should give the building and loan associations an opportunity to demonstrate their support of the plan. They should be given an opportunity to demonstrate the possibility of good in the measure. They have not had that as yet.

Further, as was pointed out in the debate here, there are many States, including my own State, under whose laws it is not possible for the building and loan associations to participate. Effort is being made by building and loan associations in New York State to have the New York State law amended so that they can participate. That is true of many other States of the Union.

Before these associations have had an opportunity to show their real attitude toward this measure, until the organization itself has had an opportunity untrammelled by the particular personnel in charge, it would seem to me a very wrong thing for us to take a back step now. I sympathize in many ways with what the Senator from Idaho has said, realizing that there are individuals who need to have a place where they can go for funds. Yet I do think it would be a great mistake for us now, before we have given the law a chance to show its value, to repeal it; and I hope that will not be done.

Mr. KING. Mr. President, I would like to ask the Senator from New York if the primary reason why many of these building and loan associations have not sought to cooperate with the Federal organization is because the latter, exercising some proper sagacity and a desire to protect the Treasury of the United States, refused to permit them to unload upon the parent organization much of the rubbish, frozen assets, and poor loans which were made and held by some of these organizations?

Mr. COPELAND. Mr. President, I am very happy to answer that, and I think I can answer it. Building and loan associations have not unloaded, if for no other reason than because the organization has not had any money. It is only within the last few days that they have been prepared to make loans. Certainly, so far as the bank in my district, located at Newark, N. J., is concerned, it is only within the last few days that they have been ready to do business. So, of course, nothing has been "unloaded" upon that board, whether the securities were good or bad.

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

Mr. COPELAND. I yield.

Mr. DILL. I want to ask the Senator whether he does not think, in light of the experience we have had, that had we retained the amendment whereby \$400,000,000 would have been available to the home owners of this country, we really would have done much more service than we have done by the present plan?

Mr. COPELAND. Frankly, up to this moment I would say yes; there would have been greater benefit from the Couzens plan than by the other plan. But had the other plan been put into effect promptly, as we had a right to believe it would be, it would have been infinitely better than the Couzens plan.

Mr. DILL. I want to say to the Senator that it is impossible to put the present plan into effect in his own State or in the State of Washington. Had we kept the Couzens amendment, this law would have been in operation and the home-loan banks could have loaned money to home owners; but reconsideration by the Senate, and the taking out of that \$400,000,000 provision embodied in the amendment of the Senator from Michigan, absolutely destroyed the usefulness of this legislation, so far as the emergency up to this time has been concerned.

Mr. COPELAND. Mr. President, let me say to the Senator from Washington that at the present time loans can be had from the Reconstruction Finance Corporation to do the thing about which the Senator speaks.

Mr. FLETCHER. Mr. President—

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

Mr. COPELAND. I yield.

Mr. FLETCHER. Can the Senator give us an idea about how much time ought to be required for this board to organize and get to work? They have had six months. For six months now the board has been incurring expense, with all its bureau personnel, and that sort of thing, and up to this time nothing has been accomplished for the benefit of the home owner. How much more time does the Senator expect it will take the board to begin operation at all? We have been told that the home owners are being benefited, homes are being saved in foreclosure, and all that sort of thing; but not a single loan has been made, though six months have elapsed. How much more time is needed?

Mr. COPELAND. Mr. President, I want to answer the Senator; and in order to do so and make my answer truly responsive, I must say what I did not want to say. I do not want the word "politics" to enter into the discussion of any measure we may have before us this winter. In my opinion, the condition of this country is such that, whether a man is a Republican or a Democrat or a Prohibitionist, or whatever he may be, he ought to be on his knees every day praying to Almighty God that the Democratic Party, coming into power, shall succeed. I am confident it will succeed. But if it does not, and if we have a year or two of continuing and even greater depression, no man knows what will happen to the United States Government, and every man here knows that that statement is the exact truth.

I did not want to have the word "politics" enter into this matter, but the fact is the President of the United States appointed a man as chairman of this board who is most widely known as a politician. He has spent much of his time during these weeks, when the board ought to have been operating, in working for the election of his ticket. That is what has happened. This board has not had a fair chance, because its "lame-duck" chairman has been devoting his time and thought to other matters, rather than the interests of this great enterprise, which has in it so much of human significance.

I did not want to say that, and I tried to avoid saying it. But simple justice demands that the country should know that this board has not had its opportunity. It would be outrageous for us, as I see it, to think of repealing the law before the men who are on the board in lesser position and of lesser political influence shall have an opportunity to see whether it can not be made the useful agent for good which we anticipated.

Mr. COUZENS. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield.

Mr. COUZENS. I do not want to have the Senator charge all the responsibility upon the president of the board. Yet I make no defense of him, because I know he was campaigning when he ought to have been running his job.

Mr. COPELAND. Pardon me; I am not talking about the President of the United States.

Mr. COUZENS. I know that.

Mr. COPELAND. I am talking about the president of the Home Loan Bank Board.

Mr. COUZENS. I understand. I say that the chairman of the board was campaigning when he ought to have been attending to the job for which he was being paid. But I do not want the responsibility all to fall upon him. An analysis of the careers of the other members of the board, and their associations and activities prior to the passage of the act, ought to have indicated to the Senator that the responsibility was upon the whole board, and not upon one member of the board.

Mr. COPELAND. I realize there may be some truth in what the Senator says. Nevertheless, the chairman of the board is the general of the army. If there had been at the head of this board a building and loan man who had just one thought, namely, the success of this home-loan bank, and the carrying out of the ideals of the building and loan

associations of this country, I think there would have been a different picture to-day. I grant that the picture is not a pleasant one at the present time. But at last the board has organized, they have opened the banks, at least the one in my district has been opened, and they have some money and will begin to make loans.

Mr. COUZENS. Mr. President, will the Senator yield again?

Mr. COPELAND. I yield.

Mr. COUZENS. I think the Senator is quite correct with respect to the board making some new loan to some home owner who has no mortgage on his property now, but I want to say that there is not a chance in a million to make any loan under the existing law to the home owner whose mortgage is in default, or about to become in default, and I defy the Senator to point out one paragraph in the act which would permit the accomplishment of that very desirable end.

Mr. COPELAND. Mr. President, we went all through that debate at the time the bill was before the Senate. But I am here to say now that, in my opinion, if this board will function, if it will put into practical application what the law provides, loans will be made and homes will be saved. Certainly, that is a very necessary thing, even more necessary now than it was when we debated the bill a few months ago.

Mr. GLASS. Mr. President, with the permission of the Senate, I merely want to say that, being a member of the Committee on Banking and Currency, I do not want altogether to prejudge the proposition presented by the distinguished Senator from Idaho [Mr. BORAH]; but I do want to call attention to the fact that the Senate was impressed with the idea that insurance companies, mortgage companies, banks, and real-estate associations, and all of the organizations eligible under the text of the law were standing ready and eager to run over one another to subscribe to the stock of this home-loan bank. As a matter of fact, the subscriptions were of such a meager nature that they have not enough in subscriptions, let alone in payments, to establish as many as 2 of the 12 banks. To my mind, unless I may be convinced to the contrary, that alone shows the fallacy and the folly of enacting this law. I voted against it; and unless somebody gives me some cogent reason for doing otherwise, I shall vote to repeal it.

I resent the assumption that no one in public life is a business man, or capable of conducting business organizations. Mr. Fort is a business man, a man of exceptional intelligence. His only dereliction in that respect was the supposition that he might reelect the President. But he is a business man, and a successful business man; and he is just as capable, in my judgment, of conducting the affairs of this innocuous institution as mostly any other man would be. I do not think any man is capable of making a success of it.

#### FURLOUGH OF FEDERAL EMPLOYEES

Mr. ROBINSON of Indiana. Mr. President, I ask unanimous consent to have inserted in the RECORD a resolution adopted by the Pittsburgh Central Labor Union protesting against the continuance of the furlough provision in the economy law.

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

PITTSBURGH CENTRAL LABOR UNION,  
Pittsburgh, Pa., December 1, 1932.

The Hon. ARTHUR R. ROBINSON,  
Washington, D. C.

DEAR SENATOR: At a meeting of the Pittsburgh Central Labor Union, held at Pittsburgh, Pa., on December 1, 1932, the following resolution was adopted:

"Whereas the average salary of Federal employees is approximately \$1,440 per year, it is undeniable that this salary is earned and that its total expenditure is required to even approach the American standard of life. It all goes back into trade to keep the wheels of industry in motion. Under the guise of balancing the Budget, an attempt, which failed in the House, was made in the last session of Congress to reduce this meager average allowance. It was actually accomplished later by the enactment of the furlough provision in the economy law, which reduced earnings by one-twelfth. This roundabout method was defended on the

ground that it was not a salary reduction. Wage standards were preserved by this process, it was asserted. Moreover, the fact that it was merely an emergency law and limited to one year was strongly stressed. We protested, at that time, against this policy of unbalancing the budgets of 700,000 American families. Anticipating its blighting effect on general business and the inevitable diminished returns in Federal taxation, we predicted that this un-American procedure would not add one cent to our National Treasury. Our claims have, so far, been proved by its operation; and

"Whereas persistent efforts, backed by powerful interests, are now urging an extension of the furlough law through the fiscal year 1934, which clearly indicates piecemeal permanence, we again enter our solemn protest against wage slashing on the part of the Government, a policy which has never been resorted to in the past. It will sound the alarm in trumpet tones to the Nation that the economic depression is permanent, with the undoubted result that employers in private industry will still further reduce wages; and

"Whereas this policy, if pursued by those in charge of legislation, will lead to a diminished volume of general business, a sharp descent in commodity-price levels, and a restriction in consumption all along the line, this would prove a fatal blow aimed at returning confidence and mounting purchasing power. It would retard progress and, instead of hastening the return to prosperity, would sink us deeper into the slough of despondency and still further depress the depression: Therefore be it

"Resolved, That we earnestly request that you put forth your best efforts to prevent a continuance of the furlough provision in the economy law beyond the present fiscal year, thus sending out to the country a note of hope instead of one of despair."

Sincerely,

P. T. FAGAN, *President.*  
P. J. McGRATH, *Secretary.*

#### BLANKETING OF EMPLOYEES INTO THE CIVIL SERVICE

Mr. McKELLAR. Mr. President, I have in my hand correspondence between myself and the chairman of the Civil Service Commission in reference to blanketing certain employees into the civil service, and I desire to have the correspondence printed in the RECORD.

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

NOVEMBER 25, 1932.

Hon. THOMAS E. CAMPBELL,

*Civil Service Commission, Washington, D. C.*

MY DEAR MR. CHAIRMAN: I have been informed that numerous bodies of men have recently been blanketed into the service by Executive order upon recommendation of the commission. One of these bodies that has been blanketed in are officers of soldiers' homes, and I have in mind one who is 70 years old, and I understand that in attempting to get around the age limit he was obliged to pay back dues since 1920.

If this has been done, it is a patent fraud on the part of the Civil Service Commission. Surely, the commission has not done anything like this; but in order to be sure, I want to get some information about it.

I want to know what officers of soldiers' homes—in particular the one at Johnson City, Tenn.—have been blanketed into the service, say, within the last two years or thereabouts.

I want to know what particular bodies of men in the employ of the Government have been blanketed in the service within the last two years. I know you have the figures, and I would like for you to give me all the facts with the dates of Executive orders blanketing these various bodies into the service, if such have been put in by Executive order.

I want also to have figures as to the number of persons put in the service by Executive order in the present administration and in the past four previous administrations.

Also, what, if any, persons are now contemplating being blanketed into the service.

It is hardly believable that the civil service can be used by its own officers for partisan purposes, and if it is being so used it ought to be abolished.

Kindly give me the facts.

Very sincerely yours,

KENNETH McKELLAR.

UNITED STATES CIVIL SERVICE COMMISSION,  
Washington, D. C., November 29, 1932.

Senator KENNETH McKELLAR,  
*United States Senate.*

MY DEAR SENATOR McKELLAR: Reference is made to your letter of November 25, 1932, with respect to the inclusion of excepted employees within the classified civil service by Executive order.

The first problem presented by your letter has to do with the effect of such inclusions on evasions of the retirement act in the case of employees of the National Homes for Disabled Volunteer Soldiers.

The employees of these homes were made subject to the retirement act, not by Executive order but by an amendment to the retirement act passed by Congress on May 29, 1930.

Your second question has to do with the employees of soldiers' homes covered into the classified civil service. It should be said

in passing that the Executive order classifying the employees of these homes was in conformity with the act of Congress which consolidated the Veterans' Bureau, the Pension Office, and the National Homes for Disabled Volunteer Soldiers into the Veterans' Administration.

Table 1, herewith attached, gives the names, positions, salaries, dates of birth, and dates of appointment of all employees of the home at Johnson City, Tenn., brought into the classified service on July 1, 1931, under the Executive order of April 23, 1931.

Similar lists are available and can be typed for all employees in all of the other homes. These lists will be furnished if desired.

In Table 2 there is furnished the number of such employees in all of the homes on July 1, 1931.

In response to the third request in your letter there is furnished as Table 3, attached herewith, a list showing the groups of employees brought into the classified civil service by Executive order since July 1, 1930, giving the date of the Executive order, the department affected, type of group, and the number of employees involved.

In response to the fourth request in your letter there are furnished herewith Tables 4 and 5.

Table 4 shows, by years, the number of individual persons excepted from the requirements of the civil-service rules by special Executive orders and shows the names of the Presidents issuing the orders.

Table 5 shows the total number of persons blanketed into the classified civil service by the last four Presidents. These figures include individual Executive orders as well as blanket orders.

In response to the last request in your letter having to do with contemplated inclusions within the classified service by the Chief Executive, the commission is not aware that any specific persons or groups of persons are about to be included within the classified service. It has, however, for years recommended the classification of different groups of positions, believing that the inclusion of such groups of positions within the classified service to be in the interest of good administration.

In the commission's annual report for the fiscal year 1932 it recommended that the following positions be included within the classified service:

- Postmasters at first, second, and third class offices.
- Collectors and deputy collectors of internal revenue.
- Collectors of customs.
- Marshals and deputy marshals.
- Attorneys of all grades.
- All positions in the United States Employment Service.
- Positions under the government of the District of Columbia.

I will be very happy to furnish any additional information which will be of service.

Sincerely yours,

THOMAS E. CAMPBELL, President.

TABLE 1.—Employees, Veterans' Administration Home (formerly National Home for Disabled Volunteer Soldiers), Johnson City, Tenn., brought into the competitive classified service on July 1, 1931, under Executive order of April 23, 1931

Name	Designation	Salary	Date of birth	Date of appointment
Abercrombie, Austin C.	Clerk	\$1,740	Oct. 23, 1896	Mar. 14, 1921
Alderson, Tom F.	Stenographer	( <sup>1</sup> \$1,020) 1,440	July 16, 1893	Feb. 16, 1931
Alexander, Ray	Chauffeur	( <sup>1</sup> 900) 1,320	Feb. 15, 1904	Jan. 24, 1923
Anderson, Robert C.	Physician	3,800	Oct. 9, 1906	Aug. 1, 1930
Arnold, Caroline	Nurse	( <sup>1</sup> 1,080) 2,100	Oct. 14, 1885	Oct. 13, 1922
Barrett, Daisy S.	Aide (O. T.)	( <sup>1</sup> 1,380) 1,800	Oct. 31, 1886	Mar. 1, 1931
Baurelie, Mrs. Maude F.	Nurse	( <sup>1</sup> 1,590) 1,920	Jan. 5, 1889	Nov. 5, 1925
Beacham, Mrs. Tiny D.	do	( <sup>1</sup> 1,320) 1,740	Sept. 20, 1888	Mar. 31, 1928
Beasley, Neill A.	General mechanic (electrical)	1,980	June 24, 1888	July 1, 1910
Blevins, Hugh W.	Mechanic's helper (painter)	1,320	Dec. 3, 1888	Feb. 13, 1923
Bomar, Mrs. Sarah D.	Dietitian	( <sup>1</sup> 1,500) 1,920	Nov. 14, 1893	June 16, 1926
Bosbury, Albert E.	General mechanic (tinsmith)	1,980	Nov. 8, 1870	July 9, 1917
Bowman, Bruce	Fireman	1,500	Oct. 16, 1893	Feb. 10, 1926
Bragg, Mrs. Mayme M.	Nurse	( <sup>1</sup> 1,380) 1,800	Mar. 11, 1898	Oct. 1, 1927
Brice, Margaret L.	do	( <sup>1</sup> 1,440) 1,860	Oct. 4, 1876	May 1, 1927
Brice, Miss Nellie J.	do	( <sup>1</sup> 1,380) 1,800	July 26, 1885	Oct. 5, 1929
Britton, James N.	Engineer	( <sup>1</sup> 1,860) 1,950	Mar. 3, 1868	Feb. 1, 1904
Brookshire, Myrtle	Nurse	( <sup>1</sup> 1,380) 1,800	Nov. 1, 1892	Sept. 7, 1928
Brumit, Philip I.	Supply officer	( <sup>2</sup> 3,110) 3,800	Feb. 2, 1876	Apr. 1, 1923
Bryant, Dr. Alexander J.	Physician	( <sup>2</sup> 3,510) 4,200	Jan. 19, 1884	May 1, 1927
Buchanan, Anita	Nurse	( <sup>1</sup> 1,380) 1,800	Mar. 20, 1903	July 15, 1929
Burleson, Orville B.	Guard	( <sup>1</sup> 900) 1,320	May 8, 1895	July 8, 1921
Callicotte, Mrs. Mary	Nurse	( <sup>1</sup> 1,440) 1,860	Mar. 16, 1880	Nov. 28, 1927
Carpenter, Dr. John D.	Physician	( <sup>2</sup> 3,960) 4,200	Mar. 29, 1889	Dec. 1, 1921
Cash, Mrs. Marie Rhodes	Nurse	( <sup>1</sup> 1,860) 2,400	Sept. 23, 1887	Jan. 1, 1928
Collier, Mae	Stenographer	( <sup>1</sup> 1,380) 1,800	May 24, 1899	Nov. 1, 1920
Cornett, Mrs. Anna L.	Nurse	( <sup>1</sup> 1,380) 1,800	Dec. 25, 1892	Mar. 9, 1928
Covington, Mary B.	do	( <sup>1</sup> 1,440) 1,860	Oct. 26, 1880	Feb. 20, 1921
Crowley, Miss Horacetime W.	do	( <sup>1</sup> 1,500) 1,920	Dec. 10, 1878	Oct. 16, 1926
Cupp, Dr. Horace B.	Physician	3,800	Sept. 19, 1903	Feb. 1, 1930
Daniels, Mrs. Margaret C.	Librarian	1,800	Oct. 1, 1861	Nov. 5, 1914
Davis, William F.	Mechanical engineer	( <sup>2</sup> 2,980) 3,400	Sept. 3, 1872	Oct. 14, 1903
Dinsmore, William E.	Gardener	( <sup>2</sup> 1,680) 2,100	July 13, 1870	July 1, 1910
Dodson, Esther A.	Nurse	( <sup>1</sup> 1,380) 1,800	Oct. 14, 1878	Mar. 13, 1928
Donnelly, James C.	Administrative officer	( <sup>2</sup> 3,310) 4,000	Dec. 23, 1877	Mar. 20, 1912
Dugger, Mary B.	Nurse	( <sup>1</sup> 1,380) 1,800	Feb. 9, 1891	Sept. 15, 1930
Dunn, Clinton C.	Fireman	1,500	Apr. 10, 1896	June 8, 1912
Edwards, Mary L. (formerly Mrs. Hawkins)	Nurse	( <sup>1</sup> 1,380) 1,800	July 17, 1892	June 1, 1929
Elliott, Arthur T.	Clerk	1,260	Mar. 28, 1894	Aug. 25, 1930
Esteppe, Velma J.	do	1,500	May 5, 1904	Aug. 16, 1922
Finegan, Dr. James F.	Physician	( <sup>2</sup> 3,560) 3,800	June 9, 1905	July 16, 1929
Fisher, Raymond W.	Musician	( <sup>1</sup> 1,260) 1,560	Sept. 13, 1892	May 1, 1914
France, Chester W.	General mechanic (painter)	1,800	Oct. 24, 1890	Jan. 23, 1922
Fox, Thomas B.	Clerk	1,620	Feb. 5, 1894	Mar. 1, 1924
Francis, Charles E.	Fireman	1,560	Aug. 11, 1892	Sept. 26, 1922
Freeman, Leona I.	Nurse	( <sup>1</sup> 1,440) 1,860	Nov. 28, 1883	Aug. 11, 1927
Frost, Ethel V.	do	( <sup>1</sup> 1,380) 1,800	Oct. 29, 1885	Feb. 1, 1930
Fussell, Dr. George E.	Dentist	3600	May 31, 1892	Mar. 1, 1930
Gallimore, Henry H.	Fireman	1,620	June 10, 1896	Jan. 1, 1912
Gargani, Fred	Bandmaster	( <sup>1</sup> 1580) 2000	Sept. 18, 1893	Aug. 16, 1921
Gaulding, Mrs. Maude F.	Nurse	( <sup>1</sup> 1380) 1800	Apr. 20, 1905	Jan. 25, 1927
Gaynor, Robert W.	Clerk	2040	May 17, 1893	Apr. 1, 1924
Goodwin, Miss Dessie A.	Aide (P.T.)	( <sup>1</sup> 1740) 2,160	Aug. 29, 1897	Oct. 1, 1926
Gray, Mr. Sankey	General mechanic (plumber)	1,980	Mar. 22, 1875	Jan. 15, 1904
Greer, Everett	Senior administrative officer	( <sup>2</sup> 4,580) 5,600	May 26, 1890	Apr. 1, 1930
Grindstaff, Amanda J.	Nurse	( <sup>1</sup> 1,380) 1,800	Dec. 8, 1882	July 10, 1929
Hamley, Ralph E.	Mechanic's helper (steam fitter)	1,320	Jan. 17, 1893	July 25, 1921
Hardin, Mrs. Lucy C.	Nurse	( <sup>1</sup> 1,380) 1,800	Jan. 13, 1907	July 20, 1929
Harrell, Mrs. Lena M.	do	( <sup>1</sup> 1,380) 1,800	Feb. 18, 1890	Oct. 8, 1930
Hart, Pearl N.	do	( <sup>1</sup> 1,380) 1,800	Dec. 19, 1901	Feb. 6, 1925
Hayman, Dr. Edwin H.	Physician	( <sup>2</sup> 3,110) 3,800	Apr. 18, 1868	Jan. 21, 1923
Heck, Cornelius	Mechanic's helper (concrete and plaster)	( <sup>1</sup> 1,020) 1,320	Apr. 10, 1878	Mar. 7, 1903
Hensley, William H.	Fireman	1,500	June 22, 1896	July 1, 1925
Henson, Wade H.	Clerk	1,860	Mar. 16, 1899	June 8, 1922
Herren, John J.	Clerk	1,860	Nov. 16, 1891	July 11, 1921
Herrin, Emmett	General mechanic (carpenter)	1,800	Jan. 27, 1897	July 1, 1921
Hodge, Ora B. (Miss)	Nurse	( <sup>1</sup> 1,380) 1,800	Nov. 11, 1907	Mar. 7, 1930
Hoover, Eva I.	do	( <sup>1</sup> 1,380) 1,800	Sept. 15, 1897	Jan. 1, 1929
Humphreys, James F.	Clerk	1,620	Sept. 8, 1888	Apr. 1, 1921
Ingle, Robert A.	Shoemaker	1,320	June 17, 1894	Nov. 16, 1922
Jackson, Miss Clement M.	Clerk	( <sup>1</sup> 1,440) 1,860	Sept. 1, 1909	Sept. 16, 1927
Johnson, Cora L. (formerly Mrs. Koehler)	Nurse	( <sup>1</sup> 1,380) 1,800	Sept. 24, 1906	Jan. 14, 1929
Johnson, Herbert L.	Physician	( <sup>2</sup> 3,910) 4,600	Nov. 2, 1891	Apr. 1, 1927
Jones, Roy W.	General mechanic (painter)	1,800	Oct. 29, 1897	July 18, 1921
Jones, William H.	Farm superintendent	( <sup>1</sup> 1,980) 2,400	June 10, 1882	Apr. 29, 1929
Jordon, Anna H.	Social worker	( <sup>1</sup> 1,440) 1,860	Mar. 17, 1890	July 1, 1928

<sup>1</sup> Quarters and subsistence.

<sup>2</sup> Quarters.

<sup>3</sup> Subsistence.

TABLE 1.—Employees, Veterans' Administration Home (formerly National Home for Disabled Volunteer Soldiers), Johnson City, Tenn., brought into the competitive classified service on July 1, 1931, under Executive order of April 23, 1931—Continued

Name	Designation	Salary	Date of birth	Date of appointment
Julian, Edwin L.	Secretary	\$2,500	May 25, 1899	Apr. 18, 1921
Julian, Nelle F.	Clerk	( <sup>1</sup> 1,680) 2,100	Jan. 28, 1898	Sept. 10, 1924
Kelly, Thomas	Engineer	1,980	Aug. 3, 1887	June 15, 1909
King, Bessie	Nurse	( <sup>1</sup> 1,380) 1,800	June 17, 1902	June 14, 1928
King, Mrs. Minervia F.	Assistant laboratorian (bacteriologist)	1,620	Dec. 29, 1886	Apr. 22, 1925
Kissel, Henry	Musician	( <sup>1</sup> 1,260) 1,500	July 31, 1870	Apr. 19, 1923
Koehler, Carl E.	do	( <sup>1</sup> 1,020) 1,440	Nov. 21, 1903	May 16, 1925
Lamons, Edward C.	Mechanic's helper (blacksmith)	1,320	Dec. 8, 1870	Jan. 1, 1921
Landreth, John B.	Clerk	1,440	June 15, 1878	Apr. 1, 1931
Leahy, David J.	Aide (P. T.)	( <sup>1</sup> 1,380) 1,800	July 19, 1896	Nov. 5, 1929
Legg, Mrs. Grace O.	Nurse	( <sup>1</sup> 1,380) 1,800	Apr. 29, 1896	June 4, 1927
Legg, Wallace	Laboratorian (Röntgen)	2,000	Sept. 29, 1895	Aug. 1, 1925
Lewis, Mr. Connie E.	Clerk	( <sup>1</sup> 1,200) 1,620	Sept. 10, 1894	Oct. 1, 1924
Lewis, James C.	Chauffeur	(1,900) 1,320	Oct. 12, 1903	Nov. 17, 1924
Lewis, Mrs. Lillian B.	Nurse	( <sup>1</sup> 1,380) 1,800	Apr. 9, 1908	July 18, 1928
Locke, Mal	do	( <sup>1</sup> 1,380) 1,800	Feb. 10, 1882	Jan. 30, 1928
Louden, Florence A.	do	( <sup>1</sup> 1,380) 1,800	Feb. 28, 1896	Nov. 1, 1922
Lowe, Elbert H.	Clerk	1,680	Feb. 26, 1893	Jan. 1, 1921
Lucas, James H.	do	1,440	Jan. 9, 1893	Sept. 15, 1927
Lyle, Mr. Cy H.	Administrative assistant	( <sup>2</sup> 3,110) 3,800	Feb. 7, 1863	July 1, 1915
McDannel, Donald H.	Clerk	( <sup>1</sup> 1,560) 1,980	Jan. 17, 1880	Mar. 12, 1920
McDonald, John B.	Musician	( <sup>1</sup> 1,140) 1,500	Oct. 21, 1878	Sept. 24, 1917
McNeese, Myrtle D.	Nurse	( <sup>1</sup> 1,890) 1,800	Dec. 5, 1907	Nov. 14, 1930
McQueen, Stacy S.	Pharmacist	( <sup>1</sup> 1,740) 2,100	July 26, 1894	July 8, 1925
Mackey, Dr. Sidney L.	Physician	( <sup>2</sup> 3,110) 3,800	May 20, 1881	Jan. 1, 1925
Marlin, Mrs. Mary J.	Nurse	( <sup>1</sup> 1,380) 1,800	June 5, 1898	May 25, 1929
Martin, Walter E.	Administrative assistant	( <sup>2</sup> 3,110) 3,800	Oct. 21, 1888	Feb. 4, 1930
Maxwell, Edwin P.	Aide (O. T.)	( <sup>1</sup> 1,740) 1,800	Dec. 7, 1895	Feb. 1, 1924
Meredith, Robert H.	Superintendent of laundry	( <sup>1</sup> 1,580) 2,000	Sept. 12, 1873	Feb. 19, 1904
Merritt, Albert	Mechanic's helper (plasterer)	1,320	June 6, 1875	Apr. 1, 1919
Mickle, Mary M.	Nurse	( <sup>1</sup> 1,380) 1,800	Sept. 13, 1907	Dec. 11, 1930
Miller, Mr. Barnie F.	Aide (P. T.)	( <sup>1</sup> 1,380) 1,800	Mar. 12, 1895	Nov. 16, 1920
Miller, James M.	Engineer	1,980	May 16, 1871	May 1, 1905
Moore, William Elmore	Dental mechanic	( <sup>1</sup> 1,880) 2,000	Apr. 29, 1892	Aug. 1, 1924
Morelock, Louise	Dietitian	( <sup>1</sup> 1,740) 2,160	Sept. 14, 1902	June 1, 1928
Morgan, Walter T.	Aide (O. T.)	1,800	Nov. 24, 1894	Jan. 1, 1921
Mori, Mr. Guido	Bandmaster	2,300	Aug. 15, 1891	Mar. 1, 1922
Morton, Murphy J.	Clerk	1,620	July 2, 1895	Apr. 10, 1923
Mulherin, Mrs. Sara P.	Aide (O. T.)	2,040	Dec. 28, 1890	Sept. 28, 1925
Mullins, Nathan R.	Dental mechanic	2,000	Jan. 18, 1901	Jan. 6, 1930
Mullis, John E.	Mechanic's helper (carpenter)	1,320	July 2, 1892	May 9, 1927
Murray, Joseph B.	Clerk	2,400	Oct. 10, 1873	May 7, 1912
Nieman, Dr. Samuel C.	Physician	( <sup>2</sup> 4,790) 5,600	Mar. 20, 1876	Feb. 1, 1903
Nelson, Dr. James Van D.	do	4,600	May 1, 1878	Aug. 15, 1921
Nunez, Robert E.	Printer	1,680	Feb. 10, 1893	June 12, 1928
Onks, John N.	Fireman	1,560	Apr. 6, 1894	Nov. 28, 1921
Onks, Ralph C.	General mechanic (plumber)	1,800	Oct. 31, 1891	Jan. 10, 1921
Ottinger, Clayton C.	Clerk	( <sup>1</sup> 1,200) 1,620	July 11, 1886	May 19, 1930
Parks, Shelby	Mechanic helper (electrical)	( <sup>1</sup> 1,020) 1,320	Oct. 27, 1896	May 6, 1922
Payne, Christine O.	Stenographer	( <sup>1</sup> 1,020) 1,440	Nov. 13, 1900	Aug. 1, 1927
Peterson, Dr. James M.	Physician	( <sup>2</sup> 3,110) 3,800	May 5, 1872	Nov. 1, 1929
Peterson, Nils B.	Musician	( <sup>1</sup> 1,140) 1,440	Dec. 29, 1870	Oct. 1, 1920
Pitts, Annie L.	Nurse	( <sup>1</sup> 1,380) 1,800	Mar. 11, 1903	Nov. 8, 1929
Prochaska, Fred	Musician	( <sup>1</sup> 1,020) 1,440	July 15, 1874	May 1, 1924
Pruitt, Mrs. Corrine M.	Nurse	( <sup>1</sup> 1,380) 1,800	Oct. 13, 1894	Apr. 20, 1930
ReMine, Jay F.	Telephone operator	( <sup>1</sup> 840) 1,260	Dec. 21, 1898	Aug. 17, 1921
Rich, Josephine	Nurse	( <sup>1</sup> 1,380) 1,800	Feb. 24, 1898	Jan. 1, 1931
Roberts, Willie R.	Assistant laboratorian (bacteriologist)	1,620	Mar. 9, 1905	Nov. 25, 1920
Rowe, Robert L.	General mechanic (steamfitter)	1,980	Mar. 13, 1876	Aug. 15, 1905
Royal, Dr. Warren M.	Physician	( <sup>2</sup> 3,910) 4,600	Jan. 7, 1885	Aug. 10, 1924
Schallenkamp, Mary P.	Nurse	( <sup>1</sup> 1,380) 1,800	Jan. 16, 1898	Nov. 28, 1924
Scott, Ralph E.	General mechanic (carpenter)	1,740	Aug. 8, 1891	Jan. 1, 1929
Sells, William A.	Guard	( <sup>1</sup> 1,020) 1,440	Jan. 29, 1891	Aug. 1, 1923
Shackelford, Lucy H.	Nurse	( <sup>1</sup> 1,440) 1,860	Nov. 27, 1889	Nov. 16, 1925
Shearon, Mrs. Lillian M.	Laboratorian (bacterian)	( <sup>1</sup> 1,680) 2,100	Sept. 18, 1903	Aug. 1, 1930
Shelmutt, Mrs. Myrtle C.	Stenographer	1,680	Oct. 15, 1905	Jan. 16, 1922
Shelton, William B.	Chief guard	( <sup>1</sup> 1,200) 1,680	Sept. 19, 1894	Aug. 1, 1924
Simerly, John W.	Meat cutter	1,680	Oct. 11, 1895	Jan. 26, 1921
Smith, Mrs. Ruth Buchanan	Typist	1,440	Apr. 23, 1901	Feb. 4, 1924
Smith, Mrs. Thyra S.	Nurse	( <sup>1</sup> 1,380) 1,800	May 17, 1891	May 14, 1927
Starr, Ella Mae	do	( <sup>1</sup> 1,380) 1,800	Apr. 30, 1905	June 26, 1928
Stump, Claude V.	General mechanic (automobile)	1,980	Sept. 1, 1894	Sept. 1, 1910
Taylor, David H.	Clerk	2,600	Jan. 8, 1891	Sept. 8, 1920
Taylor, Rufus N.	General mechanic (carpenter)	1,680	Apr. 4, 1878	Feb. 14, 1923
Trivett, Ulysses G.	General mechanic (electrical)	1,800	Jan. 7, 1896	Oct. 1, 1921
Tucker, George W.	Clerk	( <sup>1</sup> 1,020) 1,440	Nov. 14, 1868	May 19, 1921
Van Brackle, Dr. Woodfin H.	Dentist	( <sup>2</sup> 3,110) 3,800	Aug. 12, 1891	May 6, 1925
Vance, Edna	Stenographer	( <sup>1</sup> 1,320) 1,740	Mar. 25, 1898	July 5, 1921
Von Bieberstein, Mrs. Anna K.	Nurse	( <sup>1</sup> 1,380) 1,800	Nov. 14, 1888	Sept. 1, 1922
Waite, Mrs. Hettie A.	do	( <sup>1</sup> 1,380) 1,800	Nov. 30, 1896	May 2, 1927
Wallace, Dr. James M.	Physician	( <sup>2</sup> 4,310) 5,000	Apr. 10, 1878	Aug. 15, 1922
Warden, Arthur D.	General mechanic (refrigeration)	1,980	Apr. 21, 1891	Oct. 1, 1929
Wardrop, William R.	Clerk	( <sup>1</sup> 840) 1,260	Sept. 21, 1896	Mar. 7, 1921
Wasson, Edgar F.	Foreman of laborers	1,320	Mar. 9, 1882	Dec. 1, 1929
Webb, Dr. George O.	Physician	( <sup>2</sup> 3,110) 3,800	June 13, 1875	June 1, 1929
White, Samuel N.	General mechanic (steamfitter)	1,860	Oct. 24, 1875	Feb. 1, 1905
Whitlow, Clarence	General mechanic (painter)	1,980	Aug. 9, 1880	June 22, 1909
Williams, Miss Pearl	Nurse	( <sup>1</sup> 1,440) 1,860	Nov. 30, 1893	Apr. 15, 1919
Willien, Dr. William F.	Physician	( <sup>2</sup> 3,910) 4,600	Nov. 21, 1874	Oct. 1, 1925
Winkle, Leon	Dental mechanic	2,000	July 28, 1889	June 6, 1927
Yelton, Mrs. Mary J.	Nurse	( <sup>1</sup> 1,380) 1,800	Apr. 21, 1894	June 11, 1928

<sup>1</sup> Quarters and subsistence.<sup>2</sup> Quarters.<sup>3</sup> Subsistence.

The following employees classified July 1, 1931, under Executive order of April 23, 1931, have since been separated from the service:

Name	Designation	Salary	Date of birth	Date of appointment	Date of separation
Bell, Carl C.	Head dairyman	( <sup>1</sup> \$1,560) \$1,680	May 20, 1895	Aug. 1, 1916	June 28, 1932
Britton, John B.	Engineer	2,100	Mar. 2, 1861	Oct. 1, 1903	Nov. 30, 1931
Brown, Miss Willie M.	Nurse	( <sup>1</sup> 1,380) 1,800	Dec. 11, 1907	Dec. 29, 1928	Aug. 31, 1932

<sup>1</sup> Quarters.<sup>2</sup> Quarters and subsistence.

Name	Designation	Salary	Date of birth	Date of appointment	Date of separation
Dillow, Simpson B.	Guard	( <sup>1</sup> \$840) \$1,260	July 29, 1894	Feb. 1, 1930	Dec. 31, 1931
Hodge, Mrs. Monie H.	Nurse	( <sup>2</sup> \$1,380) 1,800	Nov. 3, 1901	Oct. 6, 1928	Oct. 2, 1931
Lucas, Mrs. Sallie M.	do	( <sup>1</sup> \$1,380) 1,800	Aug. 16, 1905	Mar. 27, 1928	Nov. 30, 1931
McGinnis, Dr. John E.	Physician	( <sup>1</sup> \$3,110) 3,800	June 26, 1872	Mar. 3, 1928	Aug. 26, 1932
Peyton, Dr. Robert L.	do	( <sup>2</sup> \$4,060) 4,600	Dec. 29, 1876	June 4, 1922	Oct. 19, 1932
Stanley, Dr. Robert H.	do	3,800	Sept. 21, 1868	Aug. 20, 1924	Sept. 26, 1931
Turner, Edmund A.	Clerk	1,500	Dec. 29, 1869	Jan. 16, 1930	May 30, 1932

<sup>1</sup> Quarters.  
<sup>2</sup> Quarters and subsistence.

The total number of employees classified at the Johnson City, Tenn., branch of the Bureau of National Homes, 177.  
 Prepared by Service Record and Retirement Division Nov. 28, 1932.

TABLE 2.—Number of employees brought into the competitive classified service in the Veterans' Administration Homes on July 1, 1931, by Executive order of April 23, 1931

Augusta, Me.	77
Bath, N. Y.	81
Danville, Ill.	123
Dayton, Ohio	226
Hampton, Va.	128
Hot Springs, S. Dak.	71
Johnson City, Tenn.	177
Leavenworth, Kans.	122
Sawtelle, Calif.	244
Marion, Ind.	181
Milwaukee, Wis.	191
Washington, D. C.	14
Total	1,635

These figures do not include any persons appointed through civil-service examination prior to July 1, 1931.

TABLE 3.—Groups of employees brought into the classified service by Executive order from July 1, 1930, to November 1, 1932

Date of Executive order	Department	Type of group	Number of employees classified
Oct. 4, 1930	Commerce	Shipping commissioners	14
Jan. 30, 1931	Interior	Advisers, Indian Service	6
Apr. 23, 1931	Veterans' Administration	Employees, excepting inmates of National Homes for Disabled Volunteer Soldiers.	1,635
May 15, 1931	Navy	Various groups, Philippine Service	115
Do.	War	do	59
June 3, 1931	Veterans' Administration	Attorneys	193
Aug. 10, 1931	Interior	Superintendents or officers in charge national parks or reservations.	13
Jan. 15, 1932	Commerce	Miners, Bureau of Mines	36
Feb. 2, 1932	Justice	Various groups	231
Mar. 10, 1932	Commerce	All employees in foreign and domestic commerce in the continental United States, Alaska, Hawaii, and Puerto Rico, heretofore excepted from competitive examination, except director and assistant directors of bureau.	147
June 21, 1932	Treasury	Mounted inspectors, Customs Service, on Mexican border. <sup>1</sup>	170
Total			2,619

<sup>1</sup> Pending for character investigation.

TABLE 4.—Number of persons excepted from requirements of civil-service rules by special Executive orders by administrations and by years

Year	President	Number
1914	Wilson	62
1915	do	74
1916	do	118
1917	do	97
1918	do	20
1919	do	25
1920	do	28
1921	do	43
		467
1922	Harding	47
1923	do	32
		79
1924	Coolidge	28
1925	do	29
1926	do	26
1927	do	29
1928	do	48
1929	do	47
		207

TABLE 4.—Number of persons excepted from requirements of civil-service rules by special Executive orders by administrations and by years—Continued

Year	President	Number
1930	Hoover	49
1931	do	23
1932	do	26
		98
Total		851

TABLE 5.—Total number of persons blanketed into the classified service by the last four Presidents

President Wilson	1,276
President Harding	79
President Coolidge	1,744
President Hoover	2,717
Total	5,816

NOVEMBER 28, 1932.

HON. THOMAS E. CAMPBELL,  
 Civil Service Commission,  
 Washington, D. C.

MY DEAR GOVERNOR CAMPBELL: Will you kindly advise what has been done by your commission with the Personnel Classification Board?

Was it just moved over and made a part of the Civil Service Commission?

Were its officers or employees reduced in number or in grade?

What, if anything, will be saved by the consolidation?

Please give me a full report at once if you can.

Very sincerely yours,

KENNETH McKELLAR.

UNITED STATES CIVIL SERVICE COMMISSION,  
 Washington, D. C., November 29, 1932.

Senator KENNETH McKELLAR,  
 United States Senate.

MY DEAR SENATOR McKELLAR: Reference is made to your letter of yesterday, requesting information concerning the consolidation of the Personnel Classification Board and the Civil Service Commission.

The first question propounded in your letter is as follows:

"Was it just moved over and made a part of the Civil Service Commission?"

All of the work having to do with the usual service functions, including personnel, disbursing, purchasing, maintenance of correspondence files, etc., of the Personnel Classification Board was taken over and assimilated by the staff of the commission occupied in these functions without increase of that staff.

Three members of the staff of the Personnel Classification Board were transferred to the commission's board of appeals and review to permit the board to assimilate the appellate functions in allocation work.

The functions of basic allocation and survey were placed under a separate division known as the personnel classification division with a greatly reduced force.

Your second question is as follows:

"Were its officers or employees reduced in number or in grade?"

The economy act contained an expression in section 506 which apparently withdrew from the Civil Service Commission authority to reduce the grade of employees brought over from the Personnel Classification Board. The commission, desirous of coordinating the salaries of the personnel of the Personnel Classification Board which are apparently on a somewhat higher level than the salaries of the personnel of the Civil Service Commission, asked information of the Comptroller General as to its authority to do so by letter of September 19, 1932.

The Comptroller General, by opinion dated October 4, 1932 (A-44810) held that the commission had no power to reduce the classification grades or salaries of persons transferred to the Civil Service Commission from the Personnel Classification Board under the specific language of the economy act. (The commission is

suggesting that this provision of law be eliminated so that these salaries may be properly adjusted.)

With respect to the number of employees transferred to the commission, the following tables are furnished.

The first table contains the names of those employees, with their grades and annual-salary rates, the services of whom are not being availed of by the Civil Service Commission since October 1, 1932, the date the board was transferred to the commission.

The second table contains the names, grades, and annual-salary rates of those employees now serving the commission who were transferred from the Personnel Classification Board on October 1, 1932.

Employees not now serving in the Civil Service Commission

Table with 3 columns: Name, Grade, Salary. Lists 27 employees with their respective grades and salaries.

Employees transferred to Civil Service Commission and now serving

Table with 3 columns: Name, Grade, Salary. Lists 64 employees transferred to the Civil Service Commission, including their grades and salaries.

With respect to your third question, it will be noted from the above that on an annual basis the Personnel Classification Board's personnel pay roll was reduced in the amount of \$67,240.

That part of the Personnel Classification Board's appropriation for 1932 unexpended because of the creation of vacancies due to the nontransfer to the Civil Service Commission of the personnel of the Personnel Classification Board is at present impounded in the Treasury under the provisions of section 203 of the economy act.

Sincerely yours, THOMAS E. CAMPBELL, President.

DECEMBER 5, 1932.

HON. THOMAS E. CAMPBELL, Civil Service Commission, Washington, D. C.

MY DEAR GOVERNOR CAMPBELL: Your letter of the 29th in reference to the consolidation of the Personnel Classification Board with the Civil Service Commission received and noted.

On page 2 of your letter you have 19 employees listed under the head "Employees not now serving in the Civil Service Commission."

Will you kindly advise me if these employees are still serving the Government, and in what capacity, and in what bureau or department,

and the salaries of each? You can easily see that my interest in the matter is what savings have been made by the consolidation.

Again, has the consolidation required you to put any members of your own force in with the remaining force of the Personnel Classification Board; and, if so, please give the names, number, and salaries of each?

Very sincerely yours, KENNETH MCKELLAR.

UNITED STATES CIVIL SERVICE COMMISSION, Washington, D. C., December 6, 1932.

Senator KENNETH MCKELLAR, United States Senate.

MY DEAR SENATOR MCKELLAR: Reference is made to your letter of December 5, 1932, requesting information as to the disposition of the 19 employees who are not now serving in the Civil Service Commission who were on the staff of the Personnel Classification Board.

The following list shows the Personnel Classification Board grade and salary, the names of the employees, the office and department to which transferred, and the grade and salary in the office to which transferred:

Table with 5 columns: Name, Personnel Classification Board (Grade, Salary), Department or office to which transferred, Grade, Salary. Lists 27 employees and their transfer details.

In response to your telephonic inquiry of to-day, contact has been made by telephone with the various offices to which these employees have been transferred. I am informed that the following of the above employees were placed into newly created positions:

Charles E. W. Bateson, Roxy Dale, William H. McReynolds, Paul N. Peck, and Wilton E. Wilmot.

The following employees, with grade and salary while with the Personnel Classification Board, were either not placed or were placed in positions made vacant by separation of an employee:

Table listing 19 employees with their Personnel Classification Board grade and salary, and their new position, grade, and salary.

It will be seen, therefore, that the general personnel of the Government service in so far as this particular consolidation is concerned was reduced by 14 employees and by annual salaries in the amount of \$37,260. This number of employees will be increased to 17, and the total amount to \$53,740 when the three temporary employees of the Bureau of the Budget are separated from the service.

With respect to the last question in your letter of December 5, requesting information as to whether or not the Civil Service Commission has put any members of its own force in with the remaining force of the Personnel Classification Board, you are informed that the personnel classification and original allocation work is being done in the Division of Personnel Classification, and there has not been added to that division any of the old staff of the Civil Service Commission. It is true that a part of the work heretofore done by the Personnel Classification Board's staff has been assimilated in the regular work of the Civil Service Commission and by the old staff of the commission. This part of the work has to do with disbursement of funds, procurement of

Budget Bureau representative states these three positions purely temporary, to terminate in December, 1932.

supplies, filing work, correspondence work, and similar general service functions.

If there is any further information desired, I shall be pleased to furnish it if available.

Very truly yours,

THOMAS E. CAMPBELL, *President.*

DECEMBER 2, 1932.

Sir: In order that the commission may comply with requests for information as to the number of officers and employees in the Executive Civil Service whose appointments are not made through competitive examination, this office would appreciate your cooperation in obtaining this information at the earliest practicable moment.

The information desired covers all positions appointment to which is made by the President, by and with the advice and consent of the Senate; positions under Schedule A or Schedule B of the civil-service rules, positions under section 10 of Civil Service Rule II, positions excepted from civil-service examinations by law, and unclassified positions.

There are inclosed herewith sample forms (Tables I to IV, inclusive) showing the arrangement in which it is desired that the information be furnished. Please note that on Table II a column is provided in which to indicate the number of excepted positions filled by persons who have a civil-service status by reason of appointment, promotion, reinstatement, or transfer from the competitive classified service. Names of employees are not desired. Please make report in quadruplicate, and follow alphabetical order of States in recording the information.

The information called for is desired by December 16. The commission would appreciate an immediate acknowledgment of this letter and if, for any reason, the report can not be furnished on or before the 16th please advise earliest date at which it can be furnished.

By direction of the commission.

(Presidential offices)

(Department or establishment)

TABLE I.—List of offices to which appointment is made by the President, by and with the advice and consent of the Senate, showing the location of such offices, date of appointment of the present incumbent, term of office, and salary

Location—State and city	Service or bureau and position	Date of appointment	Legal tenure	Salary
Michigan: Detroit....	Internal-revenue collector.	May 4, 1933	No statutory limitation.	\$6,000
Alaska: Fairbanks....	District attorney.....	July 8, 1917	4 years.....	5,000

(Excepted positions)

(Department or establishment)

TABLE II.—List of positions which are excepted from examination by law, or under Schedule A or Schedule B of the civil-service rules, or under section 10 of Civil Service Rule II

Location, State and city	Bureau and position	Salary	Number of positions	Number positions incumbent of which has classified status
Kentucky: Louisville.....	Internal-revenue deputy collector.	\$3,000	1	-----
District of Columbia: Washington.	Customs, attorney.....	3,600	10	4

(Unclassified laborer positions)

GROUP 1

(Department or establishment)

TABLE III.—List of unclassified laborer positions which are filled without regard to the labor regulations, showing location and salary range

Location, State and city	Salary	Number	Location, State and city	Salary	Number
California: Riverside..	\$1,080	16	-----	-----	-----
Alaska: Nome.....	960	7	-----	-----	-----

GROUP 2

TABLE IV.—List of unclassified laborer positions filled in accordance with the labor regulations

Location, State and city	Salary	Number	Location, State and city	Salary	Number
California: Riverside..	\$1,080	16	-----	-----	-----
Alaska: Nome.....	960	7	-----	-----	-----

PHILIPPINE INDEPENDENCE

Mr. HAWES and Mr. METCALF each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. HAWES. Mr. President, to-morrow the Philippine independence bill will become the unfinished business of the Senate, and there is an agreement by the leaders on both sides that it shall be finally disposed of.

Before the general debate begins, it occurs to me that a recent address of Dr. Jacob Gould Schurman will be interesting and informative to the Members of the Senate.

It is short, but it will probably refresh our memory. As we know, Doctor Schurman was appointed by President McKinley to head the commission which was to introduce the first American civil government in the Philippine Islands after the United States acquired them from Spain. That was in February, 1899. Doctor Schurman is the last survivor of those who had intimate acquaintance with President McKinley's plans for the Philippines and a large share in their realization, so far as that was permitted before the assassination of the President. Moreover, Doctor Schurman has revisited the Philippines since the conclusion of his official labors there and has kept closely conversant with the policies and program of the United States in the islands. His views are therefore of the utmost importance and usefulness at a time when the Senate is about to take action with regard to a bill granting independence to the Filipino people.

For example, Doctor Schurman, recalling the significant words of the first Philippine Commission's proclamation, which was signed by himself and his associates in the commission, including Admiral Dewey, and approved by President McKinley, and which declared it the intention of the United States to "accustom them [the Filipino people] to free self-government in an ever-increasing measure, and to encourage them in those democratic aspirations, sentiments, and ideals which are the promise and potency of a fruitful national development," reminds us that "it is the nature of such ever-increasing liberty and self-government as that promised by the United States to issue finally in complete independence." To this he adds a quotation from the Philippine Commission's report to Congress—in 1901—in which its authors stated that it "would be a misrepresentation of facts" not to say to the American people "that ultimate independence—independence after an undefined period of American training—is the aspiration and goal" of the Filipinos themselves.

In two sentences with which Doctor Schurman closed his address he characterized and, in my judgment, justified the aims and objects of American occupation and government of the Philippines. I quote them:

America for the Americans, the Philippines for the Filipinos, and government of the people, by the people, for the people as the ideal of all nations. To inaugurate in the Orient a republic dedicated to that ideal is, I believe, the glorious mission and the supreme duty of America in the Philippines.

I ask that the full text of Doctor Schurman's address be printed in the body of the RECORD.

The VICE PRESIDENT. Is there objection?

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



## PHILIPPINE INDEPENDENCE

By Jacob Gould Schurman

There is now a bill pending in the Congress of the United States to grant independence to the Philippines. It has passed the House of Representatives and is to be taken up for further consideration by the Senate on December 8 with a view to final action. I earnestly hope the bill will be passed by the Senate and approved by the President.

Let me state with the greatest brevity the reasons why the Filipinos should be granted their independence.

In the first place, independence, if not specifically promised, was implied in the policy of President McKinley. His motive in compelling Spain, at the close of our victorious war in 1898, to cede to the United States her sovereignty over the Philippines was the humanitarian motive of freeing the Filipinos from the misgovernment and oppression of the Spanish colonial system. I know something of President McKinley's mind, for he talked over the subject very fully and frankly with me in December, 1898, when he asked me to accept the presidency of the first United States Commission to the Philippines. He did not want the Philippines, but they had come to us as a result of our victory over Spain. President McKinley's program was a very simple one. It was this: To emancipate the Filipinos, to eliminate Spain from the archipelago, and to replace Spanish sovereignty with the sovereignty of the United States. That done, it remained for the United States, according to President McKinley, to frame and carry into effect a policy in regard to the Philippines.

## PRESIDENT MCKINLEY'S POLICY

President McKinley himself soon voiced the spirit of that policy. He declared that our commission were the bearers to the Philippines of the "blessings of a liberating rather than a conquering nation." In the national Republican platform on which McKinley and Roosevelt were elected in 1900 the keynote of the Philippine plan was American responsibility to the Philippine people. That plank declared that we must secure to them by law "the largest measure of self-government consistent with their welfare and our duties." In the proclamation addressed by our commission to the people of the Philippine Islands, published in Manila April 4, 1899, we had already declared that the United States was most desirous "to accustom them to free self-government in an ever-increasing measure and to encourage them in those democratic aspirations, sentiments, and ideals which are the promise and potency of a fruitful national development." That proclamation, which was signed not only by me as president of the commission but by all my associates, including Admiral Dewey, was approved by President McKinley.

I need not point out that it is the nature of such ever-increasing liberty and self-government as that promised by the United States to the Philippines to issue finally in complete independence. That also is what all Filipinos desired. And in the official report of our commission to Congress we stated that it "would be a misrepresentation of facts not to report that ultimate independence— independence after an undefined period of American training—is the aspiration and goal" of the Filipinos.

## FILIPINOS MAKE SPLENDID RECORD

The Filipinos, like other nations, desire good government. But even a good government, if it is imposed upon them by a foreign nation, is not at all to their taste. They desire to conduct their own government in their own way, even if the result seems to us inferior. And I have no doubt, when I look at the splendid record they have made in one generation, that they would, as an independent sovereign nation, govern themselves as well as the majority of nations in the New World.

That independence would be the inevitable result of our Philippine policy of ever-increasing self-government was recognized by Mr. Taft in opening the newly established Philippine Assembly on October 16, 1907. He said:

"As this policy of extending control continues, it must logically reduce and finally end the sovereignty of the United States in the islands."

President Roosevelt was even more specific. In his message to Congress in 1908 he used these words:

"I trust that within a generation the time will arrive when the Filipinos can decide for themselves whether it will be well for them to become independent"—or remain under American sovereignty.

Well, a generation has now passed. The Filipinos have spoken. Nay, more, they have spoken through the only organ we can recognize as at once legal and reliable—their own duly elected legislature. And they unanimously demand independence.

## PRESIDENT WILSON'S TESTIMONY

The noble and statesmanlike attitude of the political leaders of the United States whom I have already cited was not confined to Republican Presidents. The Democratic leaders were not less emphatic. President Wilson sent a message to the Filipino people in October, 1913, in which he solemnly declared:

"We regard ourselves as trustees acting not for the advantage of the United States but for the benefit of the people of the Philippine Islands. Every step we take will be taken with a view to the ultimate independence of the islands and as a preparation for that independence."

Nothing remained but to formulate the policy which our Chief Executives had followed and to embody it in an act of Congress, thus adding legislative sanction to Executive declarations and

actions. And this consummation speedily came. In February, 1916, Congress took up the Philippine question in earnest, and the final result of the discussion of the matter was the passage of the act known as the Jones law. The full title of the Jones law is: "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands." The declaration of purpose is contained in the following preamble:

"Whereas it was never the purpose of the people of the United States in the incipency of the war with Spain to make it a war of conquest or for territorial aggrandizement; and

"Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein."

## STABLE GOVERNMENT MAINTAINED

Here, then, 16 years ago, is a solemn declaration by the Congress of the United States that the only condition for our granting independence to the Filipinos was the establishment of a stable government. Now, what is a stable government? It is a government supported by the people and capable of maintaining peace and order and fulfilling its obligations. Since the enactment of the Jones law in 1916 the Filipinos have had home rule over the archipelago, which began, indeed, in 1901 when we granted them control of municipal governments. This active, responsible part in making and administering their laws and in conducting their other public affairs has been for them a practical apprenticeship in self-government. All American authorities bear emphatic testimony to the great success of the Filipinos in governing themselves.

We Americans may be justly proud of that success. For our object and aim has always been to train the Filipinos in the practice of self-government and to prepare them for ultimate independence. It is my firm conviction that the Americans have educated the Filipinos in the school of self-government more thoroughly and effectively than any other nation has ever trained a dependent people in the history of the world. The rest the Filipinos must do for themselves. It is for us to give them the opportunity by granting them complete independence.

As I have already said the only remaining condition we have imposed upon them as a prerequisite to independence is the establishment and maintenance of stable government. And that condition they have fulfilled. A dozen years ago, in his farewell message to Congress, President Wilson certified to its fulfillment and pointed out the corresponding obligation of the American people. Listen to his moving appeal:

"I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those islands by granting them the independence which they so honorably covet."

The Filipinos are grateful to Americans for training them in the ways of self-government. And, in spite of delays on our part, they have always maintained their confidence that we would eventually bestow upon them complete independence. They have always been loyal to us. In the terrible days of the World War the first act of the Philippine Congress, which opened on October 17, 1917, was the passage of a resolution affirming the adherence of the Filipino people to the cause of the United States. That action of the Philippine Congress was an impressive and moving vindication of our Philippine policy—the policy of liberty, home rule, and eventual independence.

## JINGO ARGUMENT UNWORTHY

In the United States we have some jingoes and imperialists whose political philosophy is that of earlier and barbarous ages which conceives of dependent countries as the property of the conqueror or sovereign. They speak of the Philippines as our possessions and calmly assume we may do what we like with them. This is too barbarous to be taken seriously; it is not callousness of heart, it is only muddle-headedness. Do we—you and I and other Americans or the municipal or State or National governments we appoint as agents—do we own a single Filipino? Is he ours? I own my house and may sell or let it. But no one, thank God, can anywhere in Christendom to-day own a man. Do we then own the land which the Filipinos inhabit? Not an acre of it. It is owned by the men who grow rice, tobacco, sugar, hemp, and other products for which the archipelago is so well known. What then does the sovereign power possess in its possessions? Perhaps the right to tax them for its own benefit or the right to exact tribute of them? No. The conscience of mankind forbids the exploitation of subject races as well as their enslavement. Does the sovereign power then possess nothing in its colonies? The sovereign power owns nothing; but there is something it owes. It is charged with the responsibility of government. This is a tremendous responsibility. Happily we shall be relieved of it when we fulfill our promise of granting the Filipinos their independence.

But if our jingoes and imperialists disregard the solemn promise of Congress and the American people to grant independence to the Filipinos other and much larger groups of Americans are to-day insisting on Philippine independence as an indispensable cure for their economic ills. Our farmers want protection in our home markets against competitive Philippine products. American labor also demands protection from unrestricted immigration of Filipino laborers. Our own economic interests, therefore, strongly reinforce the demand of the Filipinos for complete independence. Delay in solving the Philippine problem will therefore work not only in-

justice to the Filipinos, which is a grievous wrong, but also injury to our own economic interests, which is intolerable at this time of universal depression and widespread unemployment.

#### ECONOMIC READJUSTMENTS NECESSARY

Any plan for Philippine independence must provide for a satisfactory adjustment of economic conditions and relationships, as stated in the report accompanying the Hawes-Cutting bill of February 24, 1932. "The existing free-trade relations between the United States and the Philippines can not be terminated abruptly without serious injury to Philippine economic interests and American trade with the islands. Both require a definite time to prepare for the change. Investments made on the basis of free trade must be given sufficient time for adjustment or liquidation without loss. Philippine industries must be given time to establish themselves on a competitive basis before they are placed outside the tariff walls of the United States."

The terms of the Hawes-Cutting bill differ only in detail from those of the Hare bill, which was reported to the House of Representatives March 15, 1932. As I have not time to summarize both bills I give Representative HARE's enumeration of the salient points of his bill, as follows:

"The Filipino people are authorized to adopt a constitution and institute the government of the Commonwealth of the Philippine Islands which will exist pending complete independence. Under such government they will enjoy complete autonomy as to domestic affairs, subject only to certain reservations intended to safeguard both the sovereignty and the responsibilities of the United States.

"Pending final relinquishment of American sovereignty the free importation of certain Philippine products into the United States shall not exceed specified limits based upon the status quo as represented by estimated importations from existing investments.

"Pending independence, Philippine immigration to the United States is limited to a maximum annual quota of 50.

"On the 4th of July immediately following the expiration of a period of eight years from the date of the inauguration of the government of the Philippine Commonwealth, American sovereignty will be withdrawn and the complete independence of the Philippine Islands formally recognized. Thereupon the Philippines, to all intents and purposes, will become a country foreign to the United States.

"The United States reserves the right and privilege, at its discretion, to retain and maintain military and naval bases and other reservations in the Philippine Islands."

#### DIVERGENT VIEWS HARMONIZED

One of these bills, or a similar bill, should be enacted into law by the Congress meeting next month. The legislation proposed harmonizes previous divergent views of different groups likely to be affected by Philippine independence. These include the three national farm federations and the dairy organizations, as well as the American Federation of Labor, the American Legion, and other organizations. The proposed legislation is also satisfactory to the Filipinos. That is a consideration of primary importance, for, as between a weak people like the Filipinos and a strong nation like our own, we can not be too scrupulous in doing them ample justice.

Finally, the proposed legislation fulfills our promise of granting independence to the Filipino people. It will not derogate from American honor and good faith that material forces have combined with moral and political forces in bringing about the final result. These two sets of forces have always operated on the minds, both of the people of the United States and the people of the Philippine Islands. In politics, as elsewhere, men are at once realistic and idealistic.

So I close. America for the Americans, the Philippines for the Filipinos, and government of the people, by the people, for the people as the ideal of all nations. To inaugurate in the Orient a republic dedicated to that ideal is, I believe, the glorious mission and the supreme duty of America in the Philippines.

#### JOINT COMMITTEE ON INAUGURAL ARRANGEMENTS

Mr. MOSES submitted a concurrent resolution (S. Con. Res. 36), which was read, considered by unanimous consent and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring),* That a joint committee consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President elect of the United States on the 4th day of March next.

#### WATER RESOURCES OF THE SAN PEDRO RIVER, ARIZ.

Mr. ASHURST submitted the following resolution (S. Res. 292), which was referred to the Committee on Irrigation and Reclamation:

*Resolved,* That the Committee on Irrigation and Reclamation, or a duly authorized subcommittee thereof, is authorized and directed to make a complete investigation respecting proposed legislation providing for the ultimate utilization of the water resources of the San Pedro River, in the State of Arizona, including irrigation, reclamation, flood control, and power development. For the purposes of this resolution such committee or subcommittee is authorized to hold hearings, to sit and act at such times

and places within the United States, and to employ such clerical and stenographic assistance as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The committee or subcommittee is further authorized to send for persons and papers, to administer oaths, and to take testimony, and the expense attendant upon the work of the committee or subcommittee shall be paid from the contingent fund of the Senate, but shall not exceed \$2,000. Such committee or subcommittee shall make a report of the results of such investigation with recommendations to the Seventy-third Congress, first session.

#### CONSTRUCTION OF THE HOOVER DAM

Mr. ODDIE submitted the following resolution (S. Res. 293), which was referred to the Committee on Irrigation and Reclamation:

*Resolved,* That the Committee on Irrigation and Reclamation, or any duly authorized subcommittee thereof, is authorized and directed to investigate conditions existing in the Boulder Canyon project Federal reservation and the operations of the Six Companies (Inc.), and the officers of the Department of the Interior, with respect to the construction of Hoover Dam, and particularly with a view to ascertaining all facts relating to (1) the store operated by the Six Companies (Inc.), (2) contracts for the housing and feeding of employees of the Federal Government and the Six Companies (Inc.), and (3) the taxation of property and incomes within such reservation. The committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations, if any, for necessary remedial legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

#### FUNERAL EXPENSES OF THE LATE SENATOR JONES

Mr. DILL submitted the following resolution (S. Res. 294), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved,* That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Wesley L. Jones, late a Senator from the State of Washington, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

#### FUNERAL EXPENSES OF THE LATE SENATOR WATERMAN

Mr. COSTIGAN submitted the following resolution (S. Res. 295), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved,* That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Charles W. Waterman, late a Senator from the State of Colorado, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

#### MARY F. M'GRAIN

Mr. WATSON submitted the following resolution (S. Res. 296), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved,* That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1932, to Mary F. Mc-Grain, widow of John J. Mc-Grain, late the Deputy Sergeant at Arms and Storekeeper of the Senate, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

#### PRICES OF AGRICULTURAL COMMODITIES

Mr. CONNALLY submitted the following resolution (S. Res. 297), which was referred to the Committee on Agriculture and Forestry:

*Resolved,* That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized and directed to make an investigation of the prices of agricultural implements manufactured in the United States, and of the cost of production and all other matters relating to the manufacture and sale of such implements, with a view to ascertaining particularly (1)

whether the companies which manufacture and sell such implements are or have been engaged in monopolistic or other practices in restraint of trade or commerce, and (2) whether any such implements manufactured in the United States have been or are being sold in foreign countries at prices less than those at which they are sold in the United States. The committee shall report to the Senate as soon as practicable, but not later than the expiration of the second session of the Seventy-second Congress, the results of its investigations, together with its recommendations, if any, for necessary remedial legislation.

For the purposes of this resolution the committee or any duly authorized subcommittee thereof is authorized to hold such hearings, to sit and act at such times and places during the second session of the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

#### CROP SURPLUSES AND THEIR CONTROL

Mr. BANKHEAD. Mr. President, I ask unanimous consent, if that is necessary, to address the Senate at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Alabama is recognized.

Mr. BANKHEAD. I ask the indulgence of the Senate for some observations on the subject of crop surpluses and their control, and a plan for that purpose.

The last Democratic platform declared in favor of "the effective control of crop surpluses, so that our farmers may have the benefit of the domestic market." This declaration means, as I understand it, that crop surpluses should be controlled so as to avoid the well-known price-depressing effect of surpluses.

It is recognized that the size of the surplus of any crop is a very large factor in making the price of that entire crop. The course of general business and the financial status of all of our people is charted by the direction agricultural prices take. Until agriculture is rescued and purchasing power is restored to more than 50,000,000 rural population there can be no return to general prosperous conditions. There is no problem before the American people which so vitally touches our entire financial fabric.

To secure a fair and reasonable price there must be an avoidance or control of the surplus. We are confronted with the question, What is the best way to control our crop surpluses? Only three ways are possible:

First. Find additional markets in foreign countries.

At this time that seems impossible at fair and reasonable prices, based upon the cost of production.

Second. Buy the surplus out of the markets and hold it for future eventualities.

The Federal Farm Board tried that plan. I have heard of no Member of this body who desires to try it again. There are probably some who are willing to try to control crop surpluses under the equalization-fee plan. The only difference I recognize in the equalization-fee plan and the Farm Board stabilization plan is that the money for buying the surplus by the Farm Board was furnished by the taxpayers and the money for buying the surplus under the equalization-fee plan would be furnished by the farmer producers. A mere change in the source of the purchase money can not change the effect of the purchase.

Third. Prevent a surplus.

This plan has never been resorted to in this country. It goes directly to the root of the evil. It eliminates the injurious effects on the price of the quantity for which there is a ready market. It removes the economic waste of producing things for which there is no sale. It releases land for other uses. It saves time for other undertakings. It conforms to the inexorable economic law that a supply commensurate with the demand controls the price. There is no way, consistent with the rules and practices of trade and with established and proven laws of economics, to enjoy the benefits of domestic or foreign markets without adjusting the supply to the requirements of the markets.

Under this economic law the term "demand" does not mean the needs and consumptive capacity of all the people.

It does not mean a quantity that could be used and that is actually wanted by potential consumers. It does not include the altruistic and worthy sentiment that all who need are to be included in the computation. The rule is one of trade economics based upon two factors: (a) The demand, supported by the money or its equivalent to execute it, and (b) the quantity of the commodity offered to meet the demand. The demand as thus recognized is fairly steady and fixed for basic farm commodities. It varies somewhat with abnormal changes in the purchasing power of the people, but such fluctuations are susceptible of reasonable anticipation and approximate ascertainment. That premise being granted, the next step in complying with the rule of supply and demand is to adjust the supply to the market requirements.

Agriculture is at insurmountable disadvantage as compared with industry in the domain of voluntary and co-operative control of its commodity supply. The two groups differ very widely in numbers. When the salesman for the manufacturer offers his wares he quotes a price fixed by the seller. When the farmer offers his products he asks what the buyer will pay. The industrialist can maintain his price, subject to competitive conditions. The farmer must take what is offered. If the price obtainable is not sufficient, the manufacturer can reduce his output or shut down his plant and wait for a better season. The farmer can not take his vegetables and fruits and grain and cotton back home and keep them. His financial situation requires him to take the market offer. He has nothing to say about the price of his products. It is impossible for him to keep perishable products. He has no adequate facilities for storage and protection of nonperishable commodities, and if he did have, his cash requirements, receivable in the main only once a year, makes impossible that procedure. When there is a surplus offered the farmer must accept a forced sale price.

The relative price situation is made clear by a report of the Department of Agriculture on May 15, 1932, showing that the price level of agricultural commodities was 56 per cent of what it was during the 1910-1914 period, and the price level of commodities farmers must buy was 112 per cent of same period.

There is no just reason for this marked difference. It is explainable only on the fact that industry, by reason of the smaller numbers and better organization, can avoid dumping surpluses on the markets and thereby breaking the prices, while farmers can not so protect themselves.

The millions of farmers are widely scattered. They are unorganized. They differ in viewpoints and in financial standing. Many of them are tenants and croppers; many operate on borrowed money and supplies bought on credit. They are unable by voluntary cooperation to control the quantity to be offered for sale, or to withhold sales on account of prices. With a surplus they are practically forced to break the price for the entire crop.

The conditions I have briefly outlined clearly indicate the advisability of some remedial legislation to aid the farmers to effectively control their crop surpluses. If their purchasing power can be adequately restored, a home market will take ninety-odd per cent of the products of mills and factories. Labor will find employment and will be consumers of agricultural and industrial production.

The elimination of crop surpluses will certainly tend to increase prices. A striking illustration may be found in very recent prices for domestic wheat in France, Italy, and Germany.

The Bureau of Economics of the Department of Agriculture recently issued a statement showing that domestic wheat is selling in each of those countries at approximately \$1.25 a bushel. At the same time the farmers in this country were getting less than 35 cents. We had a surplus. The other countries mentioned did not produce enough wheat to meet their requirements. The price was sustained there by a tariff plus legal regulations requiring a certain per cent of home-raised wheat to be used by the millers.

Our position is different because of our surplus. If we can avoid the surplus, the producers should be able to secure

the world price plus the tariff for the quantity consumed in the United States. It would be much easier to control the surplus of wheat than of cotton. On an average less than 20 per cent of the wheat crop is exported, while only about 40 per cent of the average cotton crop is processed in this country and about 9 per cent of that processed goes abroad. The average annual wheat yield is about 800,000,000 bushels. This year's average price will probably not exceed 40 cents a bushel to the farmer. If the supply is reduced 25 per cent, the 42-cent tariff could well be added to the world price by the producers demanding that domestic price. Eight hundred million bushels, if sold for 40 cents a bushel, would bring \$320,000,000. Six hundred million bushels, if sold at 82 cents a bushel, would bring \$492,000,000. That would be an increase of more than 50 per cent in the gross amount received by the farmers, and the reduction in cost should also be considered. It is easily understandable how, with the surplus eliminated and the tariff rate increased, the price could reach \$1 a bushel.

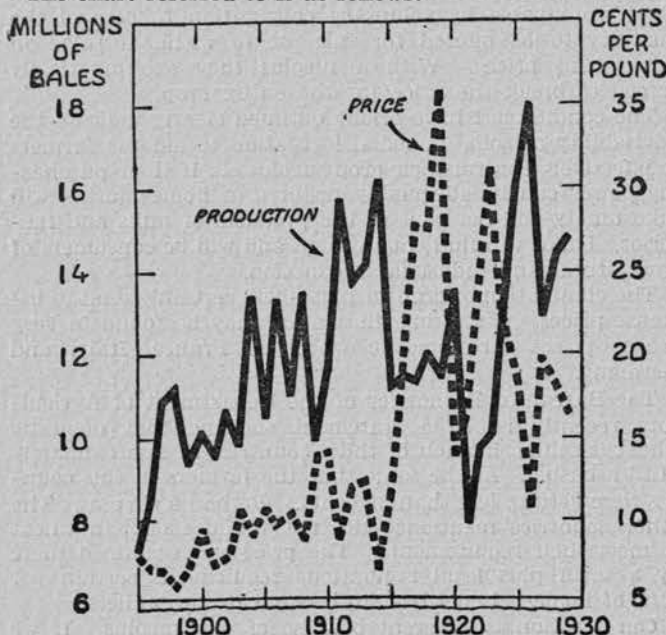
On account of the small percentage of cotton consumed at home, the cotton problem is more difficult than wheat. We are now confronted with a carry-over of 13,000,000 bales of American cotton. That is more than enough to supply the world consumption of American cotton for another year if no cotton is raised in our country during 1933. No one can reasonably expect the price to advance to cover the cost of production, with such an unprecedented supply. From 1915 to 1924, inclusive, the acreage planted to cotton averaged 34,000,000 acres. From 1925 to 1930, inclusive, the acreage averaged nearly 45,000,000 acres. The acreage and the production have increased out of all proportion to the increase in consumption. The carry-over has constantly increased and with the inevitable result, declining prices. That situation had developed prior to 1930 and the price would have continued downward if there had been no depression. Of course, the world-wide depression accelerated the downward trend. It is my conviction that a fair and reasonable price can not be regained until the larger part of the carry-over has been consumed and the amount of production greatly reduced.

In normal times, the price of cotton rises and falls in almost exact proportion with an increase or decrease in the size of the crop. This statement is supported by a chart issued by the Bureau of Economics of the Department of Agriculture, based upon actual experience for 30 years.

I have before me the chart referred to, and ask unanimous consent to have it inserted in the RECORD at this point in my address.

The PRESIDING OFFICER (Mr. GOLDSBOROUGH in the chair). Without objection, it is so ordered.

The chart referred to is as follows:



The world cotton situation, with outlook for 1931-32

Mr. BANKHEAD. Mr. President, the effect of the size of the crop upon the amount of money received by the farmers may be helpful in our consideration of this problem.

The following figures are taken from the Yearbook of Agriculture, 1930, page 680:

	Production, 1,000 bales	Price per pound re- ceived by producers Dec. 1	Farm value
		Cents	1,000 dolls.
1923.....	10,140	31.0	1,571,829
1924.....	13,628	22.6	1,540,884
1925.....	16,104	18.2	1,464,032
1926.....	17,977	10.9	982,736
1927.....	12,955	19.6	1,269,885
1928.....	14,478	18.0	1,301,796
1929.....	14,828	14.4	1,225,032

Thus it will be seen that in 1923 with a 10,000,000-bale crop following two short crops caused by the advent of the boll weevil, the price to the farmers was 31 cents per pound and the farm value was \$1,571,829,000.

In 1926, when the crop was 18,000,000 bales, the largest crop ever produced in this country, the price to the farmers was 10.9 cents per pound and the farm value \$982,736,000.

For a crop in 1923 of 8,000,000 bales less than in 1926 the farmers received \$589,000,000 more. General economic conditions during the two years were practically the same. If there was any difference, 1926 was better than 1923.

Let us compare the crop of 1927 with that of 1926. We all know that economic conditions throughout America and throughout the world were practically the same during those two years. In 1926, as will be recalled, the crop was 18,000,000 bales. In 1927 the production fell to 12,955,000 bales. The farm price was 19.6 cents per pound. The farm value was \$1,269,885,000.

For 5,000,000 bales less than was produced the preceding year the farmers received \$287,149,000 more, traceable solely to one fact and one fact alone, and that was the size of the surplus brought about by the great crop of 1926.

These official figures, furnished by the Bureau of Economics of the Department of Agriculture, prove conclusively that it is to the best interest of the farmers and of our country to limit the supply to meet the demands of the market. In normal times, with a normal carry-over, every increase of 1,000,000 bales in the size of the crop has decreased the price about 1 cent per pound and correspondingly every reduction of 1,000,000 bales has increased the price about 1 cent per pound.

Under prevailing conditions and with the all-time record for quantity carry-over, the proposition I am discussing is sustained by recent official estimates of the size of the 1932-33 cotton crop. When the August estimate disclosed a crop of a little over 11,000,000 bales and was followed by bad weather conditions for a few weeks the price advanced about 3 cents a pound. It went up from about 6 to about 9 cents a pound. That brought a general feeling of cheer and optimism to the people of the Cotton Belt. The September report indicated a larger yield. That was followed by good weather and a still larger estimate in the October report. When it became evident that the production would equal the consumption and there would be no reduction of the surplus, the price dropped below 6 cents a pound.

There was a fluctuation of 3 cents a pound within six or eight weeks, without any change in economic conditions, based solely upon information about the size of the crop.

But it has been suggested that a reduction of supply and the consequent increase in price will promote an increase in production abroad and a corresponding loss of our markets.

There are two answers to this suggestion, both of which are satisfactory to me:

First. It is better for us to lose some of our markets than it is to pauperize our cotton farmers in order to hold foreign markets for the benefit of others.

Second. The suggestion is not supported by the experiences of the past or by other supporting facts.

Our principal cotton-growing competitors are India, Egypt, China, and Russia, and, as a matter of fact, China and Russia export practically no cotton. In India there was produced in the year 1925-26, 5,200,000 bales. Since that time the production for no year has equaled that amount. Their cotton is inferior in grade to ours. In China there was produced in the same year—1925-26—2,100,000 bales. Since that time the production for no year has been as much as 2,000,000 bales. In Egypt there was produced in the same year 1,650,000 bales. Since that time the production for no year has equaled that amount. The Egyptian cotton is long staple and fills an entirely different demand from our cotton. Satisfactory information from Russia is not obtainable, but it is believed that Russia, while having a grade of cotton comparable to ours, has a very limited additional acreage suitable, under economic development, for cotton production. At any rate, we can not adopt our present policies upon the basis of a fear of what may come out of Russia. At present Russia is not a serious competitor in the world markets for cotton.

I am also proposing reciprocal agreements with other exporting countries covering the subject of world supply. Further explanation of that phase of the problem will be made before I conclude this address.

Viewing the whole world situation as it relates to actual and potential production and the destructive effect of overproduction in our country, it seems that it is our duty to accept and adopt any economically sound plan which will increase the price of one of America's greatest money-producing crops. I assert that it can be done.

With the indulgence of Senators, I will proceed to state how it may be done. The plan that I propose may be applied to wheat and other farm commodities. I shall explain it in terms of cotton.

Three problems are involved:

First. How to reach a decision on the quantity to be offered for sale.

Second. A plan for fair and just apportionment to individual farmers.

Third. An effective method of enforcing the proposed reduction in the supply.

Let us deal with these problems in their order.

First. The quantity: I introduced a bill during the last session to regulate the supply of cotton in interstate and foreign commerce. The plan then proposed for reaching a decision on the quantity was by vote of owners of land used in cotton production, the vote to be taken through the mails under detailed regulations set out in the bill. On further reflection, I have concluded that a less cumbersome way may be used. A board may be created to be composed of the Secretary of Agriculture, the Secretary of Commerce, and the commissioner of agriculture, or similar officer, in each State where the commodity is grown in quantity. This board would be given the power to fix the quantity of cotton or other agricultural commodity involved that could be legally transported during a calendar year, in interstate and/or foreign commerce. The pending bill fixes the quantity of cotton to be supplied next year at 50 per cent of the amount harvested in 1931-32. We had a large crop that year, with a good yield all over the Cotton Belt—or about 8,000,000 bales.

Second. Apportionment: Apportionment to individual landowners calls for the only machinery under the plan. The total annual production for the preceding five years is used as a basis, and an average yearly yield is found. Suppose the 5-year average has been 15,000,000 bales, which is approximately what it has been. The 5-year average for each State and each county is then ascertained. These findings involve nothing more than an examination of the records of the Departments of Agriculture and Commerce. If the board finds that a reduction of 33½ per cent should be made, then each State is allotted its proportion of 10,000,000 bales, and each county is allotted its proportion of the State's total.

The next step is the allotment to the landowners in the county. That would be done upon the same basis of a

5-year average on each farm engaged in cotton production. If 15 bales has been the average, the owner would have the right to sell 10 bales for shipment in interstate or foreign commerce. Under this plan there would be a uniform and equalized reduction in every section of the cotton area and every owner would be placed upon exactly the same basis of proportionate reduction.

At first blush it may appear that it would be a most difficult and expensive undertaking to make the individual allotments, but such is not the case. Fortunately, the machinery is now in existence for doing the work and for doing it at a very small additional expense. There is in practically every county an extension-service agent whose entire work is dealing with the farmers of his county. This agent is required, under the plan, to make the apportionment to the various landowners. Each landowner is required to submit to the agent an affidavit showing his production during each of the preceding five years. Witnesses may be examined and ginners' records inspected. By using five years a fair average is secured, notwithstanding weather and other conditions which may differently influence the size of the crop in different localities. When the allocation is once made very little work will thereafter be required by the agent, except to make small adjustments for land going out of production and for new land coming into production, for which a small percentage of latitude is allowed.

Third. The subject of enforcement: Assuming that the reduction in quantity can be fairly adjusted between the producers, we approach the problem of enforcement of the new arrangement. For that purpose the commerce clause of the Federal Constitution is invoked. I know of no power in Congress to limit production directly, or to control in any way the number of acres that a landowner may plant.

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

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

Mr. BANKHEAD. With pleasure.

Mr. LONG. We found out that the sabbatical year would be allowed for the purpose of preventing pests. Congress in all legislation has a right to prevent pests, the spread of disease, the boll weevil, and other things of the kind. Congress would have the right to prohibit the planting of a crop for a year.

Mr. BANKHEAD. I may say to my friend that possibly he is right on his legal statement; but that proposition involves, as I know the Senator recognizes, the complete prohibition of a crop at all. For that reason I do not advocate that plan. This is intended as a permanent plan, to work year in and year out; and in recognition of that I do not advocate a complete cessation of the raising of cotton. We are in accord upon the legal question that the Senator has presented. As I stated, however, I know of no power which gives Congress authority directly to limit the production of any crop, nor to deal in any way with acreage limitation. We all recognize, however, the provision in the Federal Constitution which grants the Congress the power to regulate commerce between the States and with foreign countries. So, for the first time, so far as I know, the suggestion has been presented to Congress in concrete form that the power to regulate interstate and foreign commerce should be used as an aid to the farmers, to place them in a position somewhat like that of industry, namely, to regulate and control the supply in interstate commerce.

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Nevada?

Mr. BANKHEAD. Certainly.

Mr. PITTMAN. I do not know that I remember exactly the decision of the Supreme Court in the child-labor case under the first act; but I believe an opinion was rendered in that case to the effect that without a further constitutional amendment or authority of Congress, if the goods manufactured by child labor were not in themselves detrimental to the rest of the country the power of Congress to prevent the transportation of those goods under the interstate commerce clause was questioned.

Mr. BANKHEAD. I will say to the Senator that I am familiar with the child-labor case. It is not my purpose on this occasion to go into a discussion of the constitutionality of this bill. I am prepared to do it if the bill ever reaches that step in its progress. I will say to the Senator, however, in passing, that I do not regard the decision in the child-labor case as conclusive. I think it was based upon the exercise of the police power of the State, rather than a mere direct effort to regulate interstate commerce. I will also point out to the distinguished Senator, for whose legal talents I have the very greatest respect, that that was a decision by a divided court of 5 to 4; and in a later case the Supreme Court went out of their way to incorporate in another decision the statement that if the question came before them again they would reconsider it.

Mr. PITTMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield further to the Senator from Nevada?

Mr. BANKHEAD. Yes, sir.

Mr. PITTMAN. I had simply raised the question for the purpose of having the Senator distinguish that particular question.

Mr. BANKHEAD. I am delighted to have the thoughtful inquiry and suggestion of the Senator.

The plan proposed, as I have stated, provides that a license shall be issued to the landowner authorizing him to ship in interstate and/or foreign commerce the quantity allotted to the landowner, and that it shall be unlawful to transport the commodity or the manufactured products thereof in interstate or foreign commerce without a farmer's supporting license. By requiring cotton mills located in cotton-growing States to have a supporting license for the quantity of raw cotton necessary to process the cotton goods shipped, it is made impossible for unlicensed raw cotton to legally escape through the cotton-mill route. I assume that the same principle would apply to processed products of wheat, to wheat that went into flour. Under this bill, at least, a supporting license would be required to ship flour.

Mr. ROBINSON of Arkansas. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. BANKHEAD. Yes.

Mr. ROBINSON of Arkansas. With no purpose whatever of raising difficulty for the Senator—

Mr. BANKHEAD. I am delighted to have any inquiry the Senator propounds.

Mr. ROBINSON of Arkansas. He is making a very interesting and instructive discussion. We all know, taking the illustration that is running through the Senator's argument, that for one cause or another sometimes a given area of land in one season will produce twice as much as in another season. Assuming that it is the purpose of the cotton grower to limit his production as nearly as may be practicable to the quantity that may be shipped under the license which the Senator's proposal contemplates, but that in a given season the production far exceeds the amount that he would be permitted to ship in interstate commerce, what disposition could be made of the surplus which inevitably would arise under the conditions I have described?

Mr. BANKHEAD. I am glad the Senator inquired, because I have, of course, given thought to those phases of the problem, and I welcome any question by anyone interested in this subject.

Under the statement of facts presented by the distinguished Senator, the plan really requires the farmer or producer to carry his own surplus until he either consumes it, if it is something that he can consume at home, or until, as the Senator mentioned, because of weather conditions in some later year his crop is reduced below the estimate for which he planted it. Then he can use the cotton in his barn or in the warehouse, or wherever he may keep it, to make up his allotment for the year in which weather conditions made his crop short.

The bill provides for the continuance of the license from year to year until the producer has supplied his full quantity, having in mind the very proposition the Senator stated,

as well as his loss by reason of failure to produce his full quantity because of weather conditions. Then he still has a license for cotton making up his proportion of the total amount, but of which he was deprived on account of weather conditions; and by carrying that into the next year, the average for the two years or three years or any other number of years will not be increased. It will simply be a little more in a succeeding year when weather conditions have made the crop short in some sections of the country. Do I make myself clear?

Mr. ROBINSON of Arkansas. Yes. The Senator's answer has been very clear, but it has not extended to the limit of the point I had in mind.

Let me make that a little more easily understood.

Assume that a planter or a cotton grower has 100 bales of cotton or 5 bales of cotton, as the case may be, in excess of the amount he may ship in interstate commerce. Does the Senator's plan contemplate any method by which that cotton may be kept off of local markets?

One can easily conceive that cotton mills would be located in all the cotton-producing States. They would naturally try to get the product as cheaply as circumstances would permit, and they would buy up and manufacture the surplus at whatever price they could obtain it for; and there would not be complete control, as would at first seem contemplated by the employment of the power to regulate commerce vested in the Congress. Have I made myself clear?

Mr. BANKHEAD. I understand the Senator; yes; and I am prepared to answer his question.

Mr. ROBINSON of Arkansas. Very well.

Mr. BANKHEAD. I will say that the Senator's clear mind went directly to the only place in the plan that would permit any "bootlegging" of cotton. There are two elements involved in the question. The Senator speaks of local millers buying up cotton. The Senator must bear in mind—of course, I know he is not yet familiar with all the details—that the cotton spinner could not ship in interstate or foreign commerce any goods manufactured from raw cotton without the supporting license of the farmer.

Mr. ROBINSON of Arkansas. Just a minute, though.

Mr. BANKHEAD. Let me finish the second thought. I may anticipate the Senator.

Mr. ROBINSON of Arkansas. Very well.

Mr. BANKHEAD. Here is the only place, I say, where there is a possibility for any leakage, and that is that if the cotton miller has a local demand within his State for cotton goods, of course, he could manufacture for that local demand and deliver the product within the State without having a farmer's supporting license.

Mr. ROBINSON of Arkansas. Yes.

Mr. BANKHEAD. But that is entirely negligible, as the Senator, being from a cotton State, doubtless knows, and certainly would constitute a most negligible proportion of the cotton crop.

Mr. ROBINSON of Arkansas. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield further?

Mr. BANKHEAD. I do.

Mr. ROBINSON of Arkansas. The first answer is based on the hypothesis that it is within the power of Congress to prevent the shipment in interstate or foreign commerce of manufactured articles made from cotton which in themselves are not in any sense detrimental to the public health, morals, or safety.

Mr. BANKHEAD. That was a question which the able Senator from Nevada raised.

Mr. ROBINSON of Arkansas. I understand that. I have discussed the subject personally with the Senator from Alabama, may I say, and have been very much impressed with the forcefulness of his proposition. But this is to me a difficulty which may well receive consideration, since if it is not within the power of Congress to exclude from interstate or foreign shipments commodities manufactured out of a product which is not detrimental to the public health, morals, or safety the plan would fail.

Mr. BANKHEAD. I will make a brief reply to that, without having reviewed the decisions within the last few months or having them available for direct reference. It is a subject to which, naturally, I have given a good deal of consideration.

Mr. LONG. Before the Senator explains that will he yield a moment?

Mr. BANKHEAD. I yield.

Mr. LONG. I want to develop that question just a little more. If you simply undertook to prevent the cotton goods being spread by interstate commerce, it would tend to have mills locate within the areas where the goods were to be consumed, because in that case they would have a distinct advantage.

Mr. BANKHEAD. They are located in every cotton State, and the Senator must recall that only 6,000,000 bales all together are consumed in America and that 9 per cent of that 6,000,000 bales is shipped abroad. I know the Senator is aware of the fact that a very large proportion of cotton goods consumed in his State and in my State and in all the other cotton States is not made without our States.

Mr. LONG. That is right.

Mr. BANKHEAD. Because they are a class of goods and a quality of goods which our mills do not produce. We ship them in.

As I stated, there is a possibility of some small loss there, which can well be considered and accounted for in the decision of the board as to the quantity which could be shipped in interstate and foreign commerce.

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

Mr. BANKHEAD. I have yet to answer a question asked by the Senator from Arkansas, but I will be glad to yield to the Senator from Wisconsin.

Mr. BLAINE. I did not want to interrupt the Senator in answering the Senator from Arkansas, but I was going to inquire whether the Senator's plan contemplates that the surplus of cotton shall not be sold in the domestic market.

Mr. BANKHEAD. The plan is not the allotment plan. It is simply to provide for a control of the surplus for the purpose of influencing the world price; because we produce more than 50 per cent of the cotton of the world, and certainly the size of our surplus, as has been shown by experience here over many years, controls the world price of cotton, and the world price is the domestic price.

Mr. BLAINE. But, if the Senator will permit, if the surplus cotton can be sold in the domestic market, how is the law of supply and demand to be overcome by the Senator's suggestion?

Mr. BANKHEAD. I do not undertake in any way to separate the domestic and foreign consumption. The plan limits the amount which can be sold in the cotton markets. Knowing the probable consumption of American cotton, which is all the time fairly well known, both domestically and in our customer countries abroad, assuming that the consumption for a year is 12,000,000 bales, then the proposition here provides that only 12,000,000 bales will enter both the domestic and the foreign markets combined, and that the same price prevails for the cotton used here and the cotton used abroad. In other words, I make no effort to get away from the world price of the commodity involved, but attempt simply to do the best thing to regulate and influence and control that price.

Mr. BLAINE. He can not sell it in the domestic market.

Mr. BANKHEAD. If the Senator will permit me, there is no limitation against his selling it if he can find a buyer; but the difficulty is that he will not find a buyer.

Mr. BLAINE. There will be no buyer on account of the limitation of the amount.

Mr. BANKHEAD. That is true.

Mr. BLAINE. Therefore the effect would be that he would either have to store the cotton indefinitely or destroy it.

Mr. BANKHEAD. Yes. That feature of it removes the carrying of the surplus, as was done by the Farm Board, or as would be done under the equalization fee. It shifts it to the farmer to carry his own surplus if he produces over the

amount for which he has a license to ship in interstate commerce.

Mr. BLAINE. So whatever penalty is to be paid on account of the production of the surplus, the individual cotton producer must pay that penalty, either in the destruction of the surplus or in holding it over or dumping it into the sea.

Mr. BANKHEAD. It is to relieve us of the possibility of a surplus—to avoid a surplus. The hope is that the farmer will see the advantages of having no backlog threat to the price, and I may say with perfect frankness that if the plan does not have the effect of bringing about a voluntary reduction by the producers because of the fact that they can ship but a limited amount, if it does not bring about a reduction, then I concede that it will not be effective. But, in my judgment, where a farmer has a license for a fixed amount of cotton or wheat, and knows that during the next season he can not sell any more—realizes that the smaller amount will bring him more money than the larger amount—I think he will endeavor as best he can to adjust his crop to his license. Whatever variation there is, as I have explained, if he makes some over, he must carry it until he has a shortage.

Mr. BLAINE. If the Senator will yield for just one more question, the plan, as the Senator has developed it here, is very clear to me, but there is nothing in the plan, of course—and this may be a very inapt question—which has any relation to the control of a cotton crop, which may be affected by the elements. That is, the farmer has no control over sunshine and shower, he has no control over drought, he has little control over the boll weevil. So he must suffer from the ever-changing conditions due to the elements in the production of his crop. I refer, of course, to the individual farmer.

Mr. BANKHEAD. I recognize the proposition presented by the Senator, and I think it is well provided for, because I use a 5-year average production on every particular farmer's land, and I think that will, in a reasonable way, cover good years and bad years.

Mr. BLAINE. That may be balanced.

Mr. BANKHEAD. That is the purpose of it. The advocates of the equalization fee have been contending that over a reasonable period of years the market would take all the production. I am applying here only an average on weather and crop conditions.

Mr. MCKELLAR. Mr. President—

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. BANKHEAD. I yield.

Mr. MCKELLAR. I want to ask the Senator this: Assuming that his plan is constitutional, and we take a great industry like cotton raising and put it under a board which would have the power of licensing production in the various cotton States of the Union, is it not possible that we might give so much power to a board or a commission in Washington over this great crop as to further injure it, rather than to help the price? It seems to me that the plan would give enormous control to a board here in Washington, a board which might not be at all familiar with the cotton business, and might cause a great deal of trouble, instead of benefiting the price to the farmer.

Mr. BANKHEAD. There are a number of answers, of course, to the Senator's suggestion, but I think a sufficient one is that every measure introduced in the Congress on the subject of farm relief, some of which I assume the Senator has been supporting, has placed similar power in the hands of some board—the equalization fee, the allotment plan, the debenture plan, and all others.

Mr. MCKELLAR. That is one of the troubles; those limitations and restrictions and inspections of cotton, and the control of the cotton industry generally, are being very greatly complained of in my State. The cotton producers say that Congress has already put too large a control in the hands of bureaus and commissions here, and I am not so sure they are not right. I just wanted to get the Senator's

views. I want to say to him that his plan interests me very much, and I will be delighted to give it the very best thought of which I am capable. But that is one of the objections to it, as it seems to me, that we would be giving too much centralized control here in Washington.

Mr. BANKHEAD. I will just say this in answer to the suggestion of the Senator from Tennessee. The board proposed is not a Washington board. It is composed chiefly of elected representatives of the people in their respective States. Not a single plan has been presented here for farm relief to which there are not theoretical objections based upon old, fundamental views of government. There is a plan known as the allotment plan which seems to be growing in favor, which authorizes a board or secretary to fix the prices of farm commodities, also to decide what are reasonable costs of production. There is the equalization fee plan, which authorizes the Farm Board to determine whether or not it shall be applied and what fee shall be fixed. There was a bill which had serious consideration at the last session, which I voted to recommit; I do not know how my friend from Tennessee voted. That bill made it unlawful for the producer of any farm commodity to sell his commodity at a price lower than that fixed by an agency or bureau of the Government.

So far as I am personally concerned, in view of the very great distress of agriculture in this country, in view of the absolute importance, as I see it, as the very first step in climbing out of this great depression, of increasing the agricultural-commodity prices and restoring purchasing power to the farmer, I have reached the point where these former theories of mine shall not control my action upon this great question, so long as it appears to me, or I have reasonable cause to believe, that the plan presented is workable, and will bring about the desired result.

We find the same type of farmers in the State of the Senator from Tennessee and in my State, adjoining States, and I do not believe that the people of our States would protest against any undue governmental interference which resulted in a certain increase in the price of their great basic commodity.

The Senator found no opposition when the legislation was pending on the Farm Board question. The opposition of the people and their protest has been against the way the law was executed, and the results of that law, rather than merely the setting up of some form of machinery to aid agriculture.

I believe that the farmers all understand—at least the average intelligent farmer will understand—that the price of cotton fluctuates and is governed by the size of the crop produced, and I believe that practically all of them are willing to reduce their production to meet the market requirements, under the assurance, and with the definite knowledge, that every other producer is going to make the same proportionate reduction.

I have no fear about the condition suggested by the Senator from Tennessee in his question, if in fact we decide that this solution of the problem will be beneficial and helpful. I am willing to take chances on the balance of it.

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

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

Mr. BANKHEAD. I am glad to yield.

Mr. GORE. I am rather inclined to share the fears indicated by the Senator from Tennessee [Mr. McKellar] as to the wisdom of requiring free men to take out a license to engage in legitimate business in a free country. I am afraid that along that line it might do more harm than good. But there was one point involved in the question of the Senator from Arkansas [Mr. Robinson] to which the answer of the Senator from Alabama did not quite go. I wish to ask the Senator if he has considered this possibility, that might meet the difficulty raised by the Senator from Arkansas.

The Senator's plan contemplates an annual allocation of 10,000,000 bales of cotton—

Mr. BANKHEAD. That was given as an illustration merely.

Mr. GORE. Yes; I so understood, and I am taking that as an illustration to raise this point. Suppose one-half of the Cotton Belt and one-half of the cotton farmers, because of weather conditions, had a shortage in their yield of 20 per cent. They would be scheduled at least 5,000,000 bales. A shortage of 20 per cent would reduce their production to 4,000,000 bales. On the other hand, in the other half of the Cotton Belt the other half of the cotton farmers might have an excess of 20 per cent, which would mean a production of 6,000,000 bales. Therefore, over the total cotton area the total production would be 10,000,000 bales. But under the Senator's plan the two halves together could dispose of only 9,000,000 bales.

I was wondering if the Senator had considered the possibility of permitting the board at some point during the marketing year to extend or relax the license of the farmers as they produced an excess of 20 per cent, because the two taken together would only meet the annual allotment of 10,000,000 bales, and to do this perhaps regardless of consumption in this and other countries.

Mr. BANKHEAD. I will say to the Senator that the weather conditions about which he speaks are covered under the 5-year-average plan and in addition the continuance from year to year of the license. But let me further say that if farmers in some sections are unfortunate and have a reduction in the quantity actually raised, they must still take the world price for that reduced quantity, whereas if the limitation uniformly applied to the total be limited to the world demand and the world requirements, they would get more money for their reduced crop than they would have had for the larger crop. If we let others flood the market, then over a period of years that would increase the surplus rather than hold it down on a level with the requirements of the market.

Let me bring another proposition to the attention of the Senate. I believe that the Senator from Arkansas [Mr. Robinson] has been called from the Chamber, and I shall not now undertake to answer further his question. I have been quite liberally diverted from it. When he returns I shall be pleased to make some further response to the constitutional phase of the question.

But let me ask the attention of wheat Senators as well as cotton Senators to this phase of the bill, as I regard it as being fraught with very helpful consequences and results. My bill provides that the President of the United States, on the joint recommendation of the Secretary of Agriculture and the Secretary of Commerce, may at any time increase the quantity allowed in interstate and foreign commerce over the amount originally fixed by the board. That has at least two fields of service. In the first place, if developments after the board's original finding are such that the requirements of the world are changed, that the market conditions have improved, and there is a demand for more wheat or more cotton, or new markets are found, then the President would have the power by proclamation to increase the quantity originally fixed and to authorize shipments accordingly.

There is another provision tied into this which authorizes the President of the United States to negotiate trade agreements with producing countries who export wheat and cotton. Let me say to Senators, though many of them doubtless know it, that in the last year at least two foreign countries engaged in the exportation of cotton applied to the United States for an agreement fixing and limiting the quantity to be put into the world market. Unfortunately we have no law under which the President could enter into such an agreement; and, far more important than that, we have no legal provision under which such a plan could be put into execution and applied all down the line with equality and justice to individual producers.

Let me remind my friends interested in wheat that we have three great exporting nations of wheat outside of America. We have Canada, Argentina, and Australia, two of them under the control of the same Government, in a way. With this authority and power given to the President,



suppose we could negotiate an agreement with those three great wheat-exporting countries by which the supply to be shipped into the markets of the world outside of their own countries could be limited, everyone knows—even a school-boy would know—the direct and helpful effect that would have upon the price of wheat. No one, I assume, disputes the effect of a surplus which can not be consumed and which can not be sold. By this power given to the President to limit the quantity fixed by the board he has the power not only to carry out under the law any agreement that is made with a foreign nation, but he is given the authority to say to them, "All right, if you are unwilling to reduce your production, if you are unwilling to limit your supply of wheat in some reasonable way in proportion to what your country has been doing, then I will take the limit off in America and let the war go on."

Mr. WHEELER. Mr. President—

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

Mr. BANKHEAD. I am glad to yield.

Mr. WHEELER. The Senator is talking about fixing the price of commodities in this country. I have been listening to his argument with a great deal of interest.

Mr. BANKHEAD. I am delighted. I have noticed the Senator's attention and am complimented.

Mr. WHEELER. He spoke about the price of wheat in Argentina being a factor, which it is. At the present time the currency or the money of Argentina has depreciated about 40 per cent. Assuming that Great Britain wanted to buy wheat in the world market and assuming that the price was 50 cents gold in the United States, that would mean that the Argentine farmer would get 70 cents for his wheat in his currency, and likewise it would mean, by reason of her depreciated currency, that her cost of production would be about 40 per cent less than it would be in the United States. Even with a 40-cent tariff upon wheat in the United States, unless the Argentine Government would agree and unless Russia, Canada, and Australia, who also would be competitors in the world market, would agree, they could still ship their wheat into the United States and depress the market by reason of their depreciated currency.

Mr. BANKHEAD. My answer to that is that this situation would doubtless result in an increase in the tariff upon wheat, especially in this country, to avoid the very consequences the Senator contemplates.

Mr. WHEELER. The trouble with that would be that they could further depreciate their currency, and the more they did it the higher we would have to raise our tariff.

Mr. BANKHEAD. That is possible, too, but we can not regulate the currency of foreign nations in handling this matter.

Mr. WHEELER. I appreciate that.

Mr. BANKHEAD. I think the Senator and I are very much in line on many features of the currency question, but that is a digression, that is a line of thought which is a diversion from what we are undertaking to do here, and I do not want to take time to go into a discussion of the settlement of our exchange rate and the adjustment of depreciated foreign currency. I want to say on that point to the Senator and to anybody else interested, and I hope he is in accord with my thought, that I regret the present position we occupy on the foreign-debt question, under which we are seeking to draw \$100,000,000 away from England in way of payment of the debts at this time, depreciating along with it the value of the pound sterling. As the pound sterling depreciates and lowers in value, in proportion almost, the wheat in the Senator's State and the cotton in my State are going down in price. So far as I am concerned on the subject of depreciated foreign currency, I am willing for some reasonable adjustment of the foreign-debt situation to be made which does not further drag down the currencies of our best customers and with them the price of basic agricultural commodities in America.

Mr. WHEELER. The point I wanted to make to the Senator is this: We have a tariff on manufactured products at the present time, but by reason of the fact that they have

a depreciated currency the foreign manufacturers are still able to dump over our tariff walls. The same thing is true of commodities of which we do not produce a surplus in this country. For instance, we have a tariff upon peanuts. Notwithstanding the fact that we do not produce a surplus of peanuts, at the present time the price of peanuts is depressed in this country by China, shipping peanuts into the United States. The question in my mind is whether or not, under the particular conditions we have in the world to-day, with the depreciated currencies, the allotment plan is going to work. My own view—and I will state it very frankly to the Senator—is that if the currencies of these various countries were on a par, then I think the allotment plan would possibly work, providing it would not build up such a tremendous bureaucracy here in Washington. I am trying to say to the Senator that with the present depreciated currencies, I do not think the equalization-fee or allotment plan or any other proposed legislation for the purpose of curtailing production in this country is going to affect very materially, if at all, the market price of what the farmer is going to produce.

Mr. BANKHEAD. It would affect only the domestic consumption, especially of wheat. However that may be, I do not want to trespass further upon the time of the Senate.

I shall not at this time discuss the constitutionality of the requirement for a license to ship ordinary commodities in interstate and foreign commerce. I have given careful consideration to that subject and have made painstaking investigation of the law. I am prepared to discuss it and will do so if the necessity arises.

My purpose in addressing the Senate at this time is to invite consideration of the plan which has been outlined. We had much talk at the last session about the necessity of rescuing agriculture, but nothing satisfactory to a majority was proposed. I am exceedingly anxious for action at this session looking to increasing the purchasing power of the farmer. It is the most important subject before this Congress.

My plan does not involve any price fixing by law. It does not contemplate artificial or temporary stimulation of prices. It is not a burden on the taxpayers. It does not violate well-recognized economic laws. It does not inject any new principle of business. It simply provides machinery for placing the control of the farmer's supply of his commodities on the same basis as is voluntarily practiced by successful industry. My bill authorizes the President to make agreements with other countries producing and exporting cotton or wheat, limiting the annual supply in export trade by those making such agreements.

It may be recalled that such offers were made to our country last year. There was then no law under which such agreements could be entered into by the United States and no legal way to carry out and enforce the same in our country. My bill establishes the authority for making such agreements and provides the machinery for enforcement. An agreement between India, Turkey, and our country regulating the supply to fit the consumption demands would certainly provide an easy way for lifting world prices for cotton to reasonable levels. The same may be said of an agreement with Canada, Argentina, and Australia covering the wheat supply.

Authority is given to the President, on the joint recommendation of the Secretary of Agriculture and the Secretary of Commerce, to increase the quantity of cotton or wheat that may be transported in interstate and foreign commerce. This authority puts us in position to meet conditions and exigencies that may arise after the board has fixed the supply. It also gives the President latitude and leverage in dealing with other countries. If other countries decline to limit exports, the President has the power to take the limit off in this country.

If this plan is put into legal operation before next year's crop planting has proceeded too far for adjustment, who can seriously doubt that a much larger income will be received by cotton and wheat farmers for 1933 and succeeding years? Time for action is short. I have presumed to

Indulge the hope that by bringing this measure to the early attention of the Senate the agriculturally minded Members might give it immediate and intensive study.

I recognize the difficulty of selling a new idea; but, as I view the situation, some new remedy must be applied. I nurse no pride of opinion. I am not jealous about authorship. If some Senator will rewrite and improve the bill, I shall gladly get behind him. I am interested in action to aid the farmers. I am deeply concerned with the results. I should be happy to be a humble follower, if some Senator with experience and prestige and influence would take the lead in a drive to secure remedial legislation which will increase the price of farm commodities. I do not insist that such an effort shall be in support of the plan I have offered. I am willing, ready, and anxious to give my support to any plan which I am encouraged to believe will be helpful in increasing the prices of farm products. I am willing to experiment with drastic and heroic treatment on an expiring patient. My plan looks to a permanent remedy, on principles long recognized and practiced by industry. On some commodities, controlling the supply may aid, or may dispense with, the use of the allotment plan.

Controlling the surplus will operate with all commodities, at all times, to the advantage of the producers, and that is true whether the commodity may be fully consumed in domestic markets or must find foreign markets for an excess over home consumption.

I appreciate the attention Senators have given me while I have been discussing the question. I want to invite attention, however, to the fact that there is absolutely a minimum of Federal machinery involved. It is proposed to use the agencies of government which now exist. There is little additional cost, nothing but the allocation or allotment of quantities and the issuance of the licenses. I have heard of no plan presented which has less Federal machinery involved in it. When that is done, then the whole problem is remitted to a settlement upon the basis of the economic law of supply and demand.

#### CONSIDERATION OF THE CALENDAR

Mr. McNARY. Mr. President, earlier in the day I had intended to propose a unanimous-consent agreement to take up the calendar, but in view of the lateness of the hour I shall wait until to-morrow, giving notice now, however, that during the morning hour to-morrow I shall ask that the calendar of unobjected bills may be considered. I now move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Thursday, December 8, 1932, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 7, 1932

The House met at 12 o'clock noon.

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

"God is love." We thank Thee that the sovereign antidote to the stings of life is the magic of Thy love and the enveloping sympathy of the Savior of men. By many silent tokens, O Father, make strong our hearts to accept the stern ideals of duty. We would yield allegiance to one throne and one scepter, and by this loyalty may we cherish the hope that all men's good may become each man's care. By the passion of our patriotism and devotion to the public service may every barrier to our Nation's progress be broken down. Lift aloft, blessed Lord, the standards of brotherhood, private virtue, civic righteousness, and bless our entire land with the excellence of good will and peace. In the adorable name of the Christ whom we worship.

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

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed the following resolutions:

##### Senate Resolution 288

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. HENRY ST. GEORGE TUCKER, late a Representative from the State of Virginia.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That, as a further mark of respect to the memory of the deceased Representative, the Senate do now adjourn.

##### Senate Resolution 289

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES A. KARCH, late a Representative from the State of Illinois.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That, as a further mark of respect to the memory of the deceased Representative, the Senate do now adjourn.

##### Senate Resolution 290

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. J. CHARLES LINTHICUM, late a Representative from the State of Maryland.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased Representative, the Senate do now adjourn.

##### Senate Resolution 291

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. JAMES C. McLAUGHLIN, late a Representative from the State of Michigan.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

The message also announced that the Vice President had appointed Mr. SMOOT and Mr. HARRISON members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Treasury Department.

#### THE PRESIDENT AND THE BUDGET

Mr. BLANTON. Mr. Speaker, I move the House do now adjourn.

The SPEAKER. The Chair will recognize the gentleman from Texas to ask unanimous consent to address the House for two minutes, if he desires to.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to address the House for two minutes. [Laughter and applause.]

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, while we are waiting for the President's message on the Budget for 1934, it is amusing to note that until three months before the President is to leave the White House every Budget he has heretofore sent this Congress has asked us to appropriate for his departments of Government over four billions of dollars a year.

I have heard it said that a man in high public life absorbs things as the years roll by. It is a pity that earlier in his administration the President might not have absorbed the idea so prevalent in the breast of every American—that the expenses of the Government must be cut down. I understand that now, within three months before he is to retire to private life, for the first time in his administrative history, he is to recommend to the Congress that we cut down expenses about \$800,000,000.

I want to ask the President why on God's earth has he not done it heretofore? Why did he not do it for the fiscal year 1933?

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. Certainly. Why did he not do it?

Mr. UNDERHILL. When?

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

Mr. CLARKE of New York. Make it three. I want to know if the gentleman knows the address of the President.

Mr. BLANTON. Mr. Speaker, I ask for three minutes so I may answer questions.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. UNDERHILL. The election is over. I object.

Mr. BLANTON. The majority leader will give me some time when we go into the Committee of the Whole. Then I will answer the gentleman's questions, because I know they need answering. [Applause.]

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

#### MESSAGE FROM THE PRESIDENT—THE BUDGET

The SPEAKER laid before the House the following message from the President of the United States, which was read.

[For message see Senate proceedings of to-day.]

Mr. RAINEY. Mr. Speaker, I move that the President's message be referred to the Committee on Appropriations and ordered to be printed.

The motion was agreed to.

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union to consider the President's message.

Mr. SNELL. Will the gentleman yield for a question?

Mr. RAINEY. Yes.

Mr. SNELL. How does the gentleman propose to handle the time on this matter?

Mr. RAINEY. That the gentleman from New York [Mr. SNELL] handle half the time, and I the other half.

The SPEAKER. The gentleman from Illinois moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the President's message; and pending that, asks unanimous consent that the time be equally divided and controlled by himself and the gentleman from New York, Mr. SNELL.

Is there objection?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. HANCOCK of North Carolina in the chair.

Mr. SNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, as no member of the Debt Funding Commission is now a Member of the House, and as there is very great interest in the subject matter of the relations between this country and our former allies relative to the amounts due the United States on December 15, I am taking it upon myself to lay before the House a brief statement of the situation as I view it at the present time.

I believe that all legislation relative to the indebtedness of foreign countries originated in the Ways and Means Committee; and as my service on that committee has covered the entire period of such legislation, it may not be unbecoming of me to submit such a statement as I desire to make and at the same time to offer some comments on the general subject.

The usual method of communication between governments is through diplomatic channels. It is therefore incumbent upon the President to make his announcements through the State Department and for foreign countries to make their answers through their ambassadors and ministers to the State Department.

The present situation is somewhat different from ordinary diplomatic negotiations. The President, under treaty au-

thority and under laws passed by Congress, has certain very broad powers in dealing with foreign nations. It so happens, however, that in this case that power does not lie with the President. In the matter of debt settlements Congress has been the branch of the Government to actually make all debt commitments. We, therefore, find in the debt agreements very positive statements and figures of what this country expected from its former allies. In order to be extremely lenient with them, the agreements ranged over a period of 62 years. There has never been any intention on the part of Congress, other than the moratorium of last year, that there should be any change or modification of these agreements. No matter what the individual viewpoint of the President might be, and no matter who the President of the United States might be at any particular time, Congress is the source of all authority in dealing with this subject.

Again I say, irrespective of the platitudes and appeals that have come from foreign countries, I know I voice the sentiment of my colleagues when I repeat that there is no possible way in which a change can be made in the present commitments applicable to December 15. For one I feel that our foreign friends should not even ask that there be consideration or conversations upon the subject. In due time, following the change of administration and a change in the personnel of Congress, if the next President and his administration advisers consider that, in the interest of the comity of nations, a change would be justified, it will then be ample time for the countries concerned to approach the question.

Congress took away the power to deal with this matter through diplomatic channels and passed definite legislation thereon. It can not be and will not be changed at the behest of other countries without fair opportunity for the American people to know of the conditions in those countries which result in such requests being submitted to the Congress of the United States.

Previous to the act approved February 9, 1922, entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," there had been a very indefinite arrangement about the moneys loaned during the war and thereafter to the allied nations. I recall the testimony of the then Secretary of the Treasury, Mr. McAdoo, before the Ways and Means Committee wherein he informed us that the only recognition of the indebtedness was in the form of I O U's from the various ambassadors and ministers to whom loans had been made in behalf of their respective governments. Secretary McAdoo said that this was the best possible form of security in that it was an obligation of honor. Further, these informal recognitions of indebtedness were payable on demand, which, of course, could not be effective in view of the enormous amounts which finally became involved. Neither were they such formal evidences of indebtedness as would be suitable for a long-time record. Therefore, the only course open was to formally meet with representatives of the various governments and arrange the details of payments. In this way the act of February 9, 1922, took form and became law.

Originally the Debt Funding Commission consisted of 5 members. Later this number was increased by act of Congress to 8, composing 3 members of the Cabinet, 1 United States Senator, 2 Members of the House of Representatives, and 2 other appointees.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I will yield for a brief question.

Mr. CLARKE of New York. Has the gentleman a statement showing the total amount of the obligations or the I O U's that McAdoo and President Wilson assumed or took?

Mr. TREADWAY. I have not that figure before me, but I think it is obtainable from the final report made by the Debt Funding Commission. I think it is part of their records, but I would not be positive of it.

Mr. CLARKE of New York. I wish the gentleman would put that information in the RECORD.

Mr. TREADWAY. If it is obtainable I shall be very glad to insert it.

In answer to the above inquiry, I find that on January 31, 1927, the secretary of the Debt Funding Commission, Mr. Garrard B. Winston, in a letter addressed to the members of the commission, made the following statement:

The World War Foreign Debt Commission, created by the act of February 9, 1922, as amended, has practically completed the work entrusted to it by Congress. The life of the commission expires February 9, 1927, and it seems unnecessary to ask for an extension.

At the time of the creation of the commission there were obligations of foreign governments held in the Treasury totaling in principal amount approximately \$10,102,000,000. Agreements have been concluded providing for the funding of these obligations in principal amount of \$9,811,094,094.03, or over 97 per cent of such obligations held when the commission started to function. Adding to this last-mentioned sum the accrued and unpaid interest up to date of funding in each case, amounting to \$1,711,259,905.97, makes the total funded debt stand at \$11,522,354,000.

I think this furnishes the information desired by the gentleman from New York.

The first official action in the House on debt funding was in the nature of a report by the Ways and Means Committee, later enacted by Congress and approved February 28, 1923, providing the amount to be paid by Great Britain and the method of making such payment. The amount was fixed at \$4,600,000,000. The offer was duly submitted by Ambassador Geddes and was accepted by the chairman of the World War Debt Commission, Mr. Mellon, being approved by President Harding under date of June 19, 1923.

The underlying principle adopted by the Debt Commission was well expressed in a statement furnished the Ways and Means Committee by Secretary Mellon on January 24, 1926.

This, I think, is really the basis on which all our agreements with the foreign nations were reached. I am quoting from his statement:

The situation of each debtor nation is particular—that is, its capacity to pay is not the same as the capacity of some other nation. It has been felt by the Debt Commission, however, that repayment of principal is essential in order that the debtor might feel that it had paid its debt in full and that we might know that we had our capital returned to us. The commission felt, therefore, that no funding should be made which did not repay the principal, and thus we have maintained the integrity of international obligations. Adjustment to the capacity of each case is made in the interest to be paid over the period of the agreement.

This, Mr. Chairman, is the exact situation as regards the debt settlements. In other words, the commission took the position that any concessions that we might make involved interest rather than principal, in order that each country could feel that it was meeting its principal obligation, and that we, to whom the payments were made, were receiving back the principal which we had lent the various countries.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. TREADWAY. For a brief question.

Mr. STRONG of Kansas. Can we not get the interest so low that the difference between what we receive and what we pay to our own people would eventually "eat up the principal"?

Mr. TREADWAY. Well, I doubt if it would "eat up the principal." Of course, we may have been borrowing money at a much higher rate than, perhaps, we were receiving from our allies, but that would be a matter of mathematical calculation which I can not enter into at this time; but I do not think it would "eat up the principal."

Mr. STRONG of Kansas. I do not want that to happen.

Mr. TREADWAY. Nobody does. I agree with the gentleman on that point.

It was on the capacity-to-pay basis that a very much more liberal settlement was made by Great Britain than by the other nations concerned.

Mr. RICH. Will the gentleman yield?

Mr. TREADWAY. Briefly.

Mr. RICH. Did the gentleman make the statement that Great Britain was receiving the most liberal settlement?

Mr. TREADWAY. No; on the contrary, that Great Britain's settlement is more favorable for this country than the settlement of the other allied nations. I think the gentle-

man misunderstood what I said, because it is well known that the settlement with Great Britain is very much more to our advantage than the settlements with the other countries. Her representatives, as well as the Debt Commission, felt at the time that Great Britain's finances were in better condition and the probability of their continuance was better than those of other allies.

During this entire period of 10 years I have invariably stated that I believed the settlements arrived at by the Debt Commission were both fair and generous to the various nations. As above stated, the formula adopted was capacity to pay. This was uniformly applied; and, therefore, the countries directly affected, agreeing through their representatives on their ability to pay, certainly can have no complaint about the insistence of the United States that their obligations to this country should be honorably lived up to.

During the life of the Debt Funding Commission reports were periodically made to Congress through the committees of either branch. When the Italian settlement was before the Senate, Senator Smoot, chairman of the Finance Committee and a member of the Debt Commission, used this very significant language:

The Italian settlement is an excellent example of the application of the principle of "capacity to pay." If the commission had not adopted this sound business principle in the adjustment of our foreign debts, no settlement of the Italian debt would have been possible and this country would not receive from Italy one cent in interest or principal on the sums loaned.

We, therefore, see ample reason for the difference in basis of settlement between various countries, using in the present instance as an example the settlement made with Great Britain as compared with that made with Italy.

In some instances Members of Congress felt that the countries were making a better bargain than they were entitled to, but it was up to us to be just, fair, and even generous toward our allies.

I realize that over this period of years there has been a group of citizens in this country who conscientiously believe that the debts should be canceled. I never have had the slightest sympathy with this viewpoint.

Another group has felt that trade conditions should be established whereby goods of foreign manufacture should be brought into this country in competition with our home products in order that the foreign countries could secure through us money with which they could actually pay us back. In the vernacular of the street, this would be the same as taking money out of one pocket and putting it into another. I have never had any sympathy with this position, particularly in view of the fact that I am a thorough believer in the merits of a protective-tariff system.

Therefore, I, for one, am ready to stand by the settlements as made by the Debt Funding Commission. The only modification of this was the moratorium adopted by Congress last year on the advice of the President. It was expressly stated by the President and repeated many times on the floor of the House that this moratorium did not carry with it any cancellation or a repetition of the same arrangement at a future time. Any effort to use the moratorium as a future precedent was denied.

It is quite apparent from the foreign comments which we hear, that the nations considered our willingness to set up the moratorium as an indication that when the moratorium expired it would then be comparatively easy for them to secure favorable consideration of requests for further delays. That was an erroneous conception. So far as I know, public sentiment in this country favored limiting the moratorium to one year, and Congress specified the conditions under which the payments delayed by the moratorium were to be made up.

It is understood that notes have been received by the State Department from nearly all the nations concerned suggesting conversations relative to the December 15 payments. Sufficient is known of the White House conference of November 23 to say that Members of Congress attending that conference are unwilling to authorize such conversa-

tions with these foreign countries. Up to the present time none of these notes has been referred to the Congress offering arguments as to the inability of the governments affected to meet the payments due next week.

Of course, it is recognized that financial conditions throughout the world are different to-day than they were when these agreements were entered into 10 years ago. Nevertheless, conditions in this country are likewise different, and we as a nation are no better able to bear the burden which would be laid upon us by the cancellation of these debts than are these foreign countries to bear the burden of their payment.

In his statement of November 23 last, President Hoover said:

The world-wide crisis has at least temporarily increased the weight of all debts throughout the world. Tremendous disparity in price levels, contraction in markets, depreciation in currency, stagnation of trade and industry—are all part of this world-wide depression which is not only increasing the weight of these debts and has made their payment more difficult to some nations but has thrust them as well into the problem of world recovery and its effect upon our own farmers, workers, and business. These are realities. We can not blind ourselves to their existence. They are vital factors in the problem now before us for consideration.

At the same time, it must be emphatically recalled that the aftermath of the Great War and these incidents of the depression have also fallen with great weight on the American people, and the effect upon them directly as taxpayers of any modification with respect to the debts due this country must not be disregarded. Other nations have their budgetary problems. So have we. Other people are heavily burdened with taxes. So are our people.

Further on he said:

As to the suspension of installments due on December 15, no facts have been presented by the debtor governments which would justify such postponement under the principles heretofore laid down by this country. At the Lausanne conference, which has been referred to as a precedent for the suspension of payments during those conferences, that postponement was the natural result of the facts which had been elaborately presented during many months of previous inquiry.

We face December 15 with much interest. It certainly is to be hoped that all the nations will meet their obligations on that date. The largest item owed is something over \$90,000,000 from Great Britain. The total due from all nations, including interest and principal, is about \$125,000,000. While we have no definite knowledge of financial conditions in foreign countries, and while this amount seems like a lot of money, when it comes to dealing in big figures, as nations must do, it does not strike us as being an excessive amount for the countries to pay as agreed.

With all due respect to our associate nations, it is fair to say to them from this floor—and I think I will be supported by my colleagues here—that we are not in sympathy with them in the manner in which we are informed they are expending their revenues. The object of the United States since the Conference on the Limitation of Armaments, where Secretary of State Hughes laid down explicitly the position of the United States toward naval construction and which the conference practically agreed upon, has been toward reduction of expenditures for preparedness for war, both on land and on sea, based upon the good will between nations, which it is recognized can not exist where suspicion of each other is shown by continued preparation for war.

Let me say to our former associates, if I may, that the people of this country will never show the slightest sympathy toward any change in the debt settlements, as long as the statement remains true which was recently made by Special Ambassador Norman Davis. In an address he said:

The only legitimate and useful purpose for which a nation should maintain armaments is for self-defense. The expenditures for armaments are greater to-day than they were before the war. We are not going to pull very far out of this depression unless we reduce armaments and make a genuine success of this conference.

While it is undoubtedly true that a majority of citizens in other countries approve this preparedness program, we do find adverse comments in the foreign press. Let me quote a recent item from the London News Chronicle, which was reprinted in Time:

With what face can we demand that America shall release us from the burden of our war debts, if we refuse to release ourselves from the burden of our preparations for war?

This is a statement from a London paper.

Now, in connection with Special Ambassador Davis's statement, which I have just quoted, that the preparations for war are greater to-day than they were previous to the World War, I want at this time to call attention to some figures that have been compiled for me.

France expended, the year previous to the war, \$346,400,000, Italy \$150,100,000, and Great Britain \$375,700,000.

The expenditures for war by Great Britain for the year ending March 1, 1931, were \$537,900,000, by France \$562,700,000, and by Italy (for the year 1930) \$259,300,000; very much in excess of the pre-war figures that I just read.

During the fiscal year 1931-32 Great Britain expended \$522,100,000, France expended \$438,500,000, and Italy \$284,200,000.

There is a further impression in this country, particularly in relation to the settlement with France, that it is not a question of inability to pay, so far as finances are concerned, but a question of political expediency with the party in power. We are informed that the French Chamber of Deputies will not vote to authorize the payments. That is a matter of their own honor and not one in which we are involved or one wherein we should become the sufferers. An honorable agreement was entered into between the representatives of France and the Debt Funding Commission, on which the French Government passed at that time. It is not for us to advise a foreign nation as to its methods of procedure, but it is not out of place for us to call attention to honorable commitments which any future Government must accept as obligations.

I, for one, therefore feel that, as the honor of the countries involved is at stake, December 15, will find the payments made in accordance with the agreements entered into.

Mr. Chairman, I ask unanimous consent to insert as part of my remarks two tables. One is a table prepared by the Treasury Department, giving an estimate of the expected receipts from foreign governments for the fiscal year ending June 30, 1933. It will be noted this table includes the items of principal and interest due December 15, 1932, and June 15, 1933. It will be seen that the total principal due December 15 is \$33,729,041 and the total interest \$92,067,856, making the total payments due on that date, namely, December 15 next, \$125,796,897.

The other table is prepared by the Treasury Department, showing the principal of funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest as of November 15, 1932.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

Mr. BLANTON. Mr. Chairman, I reserve the right to object merely to ask a question. Of course, I shall not object, but I would like to ask the gentleman a question.

Mr. TREADWAY. Very well.

Mr. BLANTON. The gentleman, of course, is a spokesman for his party and for his administration—

Mr. TREADWAY. No; for myself only.

Mr. BLANTON. Is the gentleman prepared to tell us just what plan the President had with respect to granting another moratorium if the people of the country had not stopped him?

Mr. TREADWAY. If the gentleman will first let me get consent to include the tables, then I shall be pleased to answer his question.

Mr. BLANTON. Certainly. I hope the gentleman will answer that question.

The CHAIRMAN. Is there objection?

There was no objection.

The matter referred to follows:

Estimate of foreign receipts for the fiscal year 1933

Table with columns for Country, Principal (Dec. 15, 1932, June 15, 1933), Total, Interest (Dec. 15, 1932, June 15, 1933), Total, and Total receipts. Lists countries including Austria, Belgium, Czechoslovakia, Estonia, Finland, France, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, Yugoslavia, and Germany.

Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15, 1932

Table with columns for Country, Total indebtedness (payments on principal deducted), Total payments received, Funded indebtedness (Indebtedness: Principal (net), Accrued interest; Payments on account: Principal, Interest), and Unfunded indebtedness (Indebtedness: Principal (net), Accrued interest; Payments on account: Principal, Interest). Lists countries including Armenia, Austria, Belgium, Cuba, Czechoslovakia, Estonia, Finland, France, Great Britain, Greece, Hungary, Italy, Latvia, Liberia, Lithuania, Nicaragua, Poland, Rumania, Russia, and Yugoslavia.

1 Payments of governments which have funded were made prior to the dates of the funding agreements.
2 Difference between principal of funded debt and amount here stated represents deferred payments provided for in the funding agreements, for which gold bonds of the respective debtor governments have been or will be delivered to the Treasury.
3 Increase over amount funded due to exercise of options to pay one-half of interest due on original issue of bonds in bonds of debtor governments.
4 Represents proceeds of liquidation of financial affairs of Russian Government in this country.
5 Includes principal amounts postponed under provisions of joint resolution of Dec. 23, 1931, and \$130,000 due from Greece on July 1, 1932, and postponed under provisions of debt agreement, and \$227,000 due from Greece on Nov. 10, 1932, which is in default.
6 Includes accrued interest postponed under provisions of joint resolution of Dec. 23, 1931, and \$217,920 due from Greece on Nov. 10, 1932, which is in default.

Mr. FREAR. Will the gentleman allow me to propound a question?

Mr. TREADWAY. Before I answer the gentleman from Texas? Very good.

Mr. FREAR. This is in line with the excellent presentation that the gentleman from Massachusetts has made. Has the gentleman found anything in the record which authorizes the statement made by foreign diplomats that they are to depend upon reparations from Germany?

That is something that is very important in connection with the gentleman's statement.

Mr. TREADWAY. It is very important and I shall be pleased to answer it.

Let me now ask the gentleman from Texas to repeat his question.

Mr. BLANTON. My question is this: The gentleman from Massachusetts has been on the Ways and Means Committee back to the time to which the memory of man runneth not to the contrary, and is a distinguished spokesman for his party and for his administration. Is the gentleman prepared to tell us just what plan the President had in mind regarding the granting of an additional moratorium if the people of the country had not stopped him?

Mr. TREADWAY. I appreciate the kind words of my friend from Texas, but I must take exception to his reference to the fact that I am a spokesman for either the administration or my party. I am speaking solely for myself.

I have consulted no one in the preparation of the remarks I have just made other than to ask for these tables which

I shall insert. So this denies a part of the kind compliment the gentleman has extended to me.

So far as the suggested continuance of the moratorium is concerned I am unaware that the President or the administration at any time has ever indicated the slightest intention of having a further moratorium. It has not been proposed so far as any communications I have ever had with the President are concerned, and I have attended several White House conferences with my colleagues on this subject. I was one of those invited to attend the conference on November 23, and there was never the slightest indication on the part of the President or his advisers that there should be another moratorium or an extension of the present moratorium.

Mr. BLANTON. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. BLANTON. I was wondering whether or not the gentleman was facetious when he said that at the last session of the Congress "we" granted a moratorium. That moratorium was granted by the President of the United States in vacation and then he forced Congress to back him up.

Mr. TREADWAY. Oh, I beg to differ with my friend from Texas; there was no forcing of Congress. The President of the United States called into conference certain Members who would have occasion to participate in the discussion of the subject matter irrespective of party. There were as many Democrats in the conference as there were Republicans.

Mr. BLANTON. But they were without authority to bind the Congress.

Mr. TREADWAY. The moratorium was made effective after Congress met.

Mr. BLANTON. But it had been agreed upon in vacation by the President.

Mr. TREADWAY. It could not be made effective without the authorization of Congress.

Now, let me answer the gentleman from Wisconsin. As I recall, the gentleman from Wisconsin propounded the question whether or not at any time the representatives of this country accepted the theory that the debts were in any way dependent upon the reparations paid by Germany to the other allied nations. My answer to that is that I do not recall that in any of the various debates or speeches that took place in the House here, nor in the speeches of the gentleman from Georgia [Mr. Crisp], whom we are glad to know has been so well and deservedly rewarded, nor in the speeches of the late lamented Senator Burton, of Ohio—in none of these speeches and in none of the discussions before the Ways and Means Committee, as I recall, was there the slightest reference to an expectation that the debts were interlocked with the reparations due from Germany to the allied nations.

Mr. FREAR. May I add that we had no direct dealings with Germany on that subject?

Mr. TREADWAY. Never; this Nation has had no connection whatever with the reparations to be paid by Germany to other countries.

Mr. CROSS. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. CROSS. I remember that it was stated or understood—it may perhaps have been in the French note—that this country agreed to the deal which was made with reference to the reparations at Lausanne. Has the gentleman any information about that?

Mr. TREADWAY. I am only rehearsing my own knowledge of the Debt Commission's work.

Mr. CROSS. I know; but I wish the gentleman to state whether he has any information as to that matter.

Mr. TREADWAY. I should be inclined to think that there has never been any agreement whatever by this country in dealing with the debt settlement. As the gentleman knows, I am only stating my own views.

Mr. CROSS. It was stated in the note that there was that understanding with the President.

Mr. TREADWAY. I think it is fair to state that we can not officially recognize these statements in the press.

Mr. CROSS. This, as I understand, was in the note.

Mr. TREADWAY. I should want to see the note with reference to any such dealings in regard to reparations.

Further than that, the fact is that the President has stated time and time again, as I have quoted, that this one moratorium was all that he believed in so far as the commitments of this country are concerned.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Certainly.

Mr. BRIGGS. Does the gentleman think it is good policy for the Chief Executive of the country to carry on discussions with foreign governments with reference to these matters of cancellation or debt reduction without the sanction of the Congress, particularly in view of the very marked attitude of the Congress against any such cancellation or reduction?

Mr. TREADWAY. I am the last one—and I think the gentleman will join me—to make any unethical reference to any President of the United States or his official conduct; but I say this in answer to the gentleman, that a certain amount of comity of relations between ourselves and foreign governments—politeness, if you wish to describe it as such—would naturally require courtesies being extended if an official representation were presented to our State Department, and it should be properly received. I do not think any representative of this Government would close the door of courtesy to a representative of a foreign country.

Mr. BRIGGS. But that is not the point I make.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TREADWAY. May I have two minutes in order that I may answer the gentleman from Texas?

Mr. PATTERSON. Mr. Chairman, I yield two minutes to the gentleman from Massachusetts.

Mr. BRIGGS. My reference is not to receiving notes. Of course, it is the right of the Chief Executive of the Government to receive, as a matter of courtesy, whatever communications foreign governments may have to make to it; but I am speaking about commitments, and I am asking whether the gentleman is in sympathy with the Executive's committing this Government directly or indirectly without the sanction of Congress.

Mr. TREADWAY. Oh, the present President of the United States has never done any such thing, and I hope that the succeeding President will follow his good example. This body is the one that makes commitments, and so far as I am concerned, or any opinion that I have, I am very certain that the present President of the United States, Mr. Hoover, has never made any kind of commitment whatsoever.

Mr. BRIGGS. Then I ask the gentleman what was meant in that joint note or memorandum, or whatever it may be called, issued by the President and the French Foreign Minister, M. Laval, at the time of their comparatively recent conference in the city of Washington, wherein it was indicated that the foreign governments should "initiate" steps with reference to the settlement of their problem of reparations and might then request further consideration by the United States of their application or desire for revision or reconsideration of the debts due this country from foreign nations.

Mr. TREADWAY. I would never claim competency to answer what may or may not have been in the mind of anyone writing a note. I think the question the gentleman propounds could be asked of the President or some official of the Government, but not of me.

In this connection, however, let me quote from the President's views as contained in his statement of November 23:

It is unthinkable that within the comity of nations and the maintenance of international good will that our people should refuse to consider the request of a friendly people to discuss an important question in which they and we both have a vital interest, irrespective of what conclusions might arise from such a discussion. This is particularly true in a world greatly afflicted, where cooperation and good will are essential to the welfare of all.

I believe, therefore, that Congress, in view of the requests made by these governments, should authorize the creation of an agency to exchange views with those governments, enlarging the field of discussion as above indicated, and to report to Congress such rec-

ommendations as they deem desirable. Furthermore, such agency should be so constituted through complete or partial identity of membership with the delegations to the World Economic Conference and to the General Disarmament Conference that under the direction of the President and with the final decision in the Congress we may take the strongest possible coordinated steps toward the solution of the many underlying causes of the present calamity.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. PATTERSON. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman and Members of the House, I rise this beautiful morning, when the sun is shining and the birds are singing and all nature in a way is in bloom like early spring, to say a word for the forgotten man. The particular phase of the President's message with reference to the forgotten man I shall read to you:

I recommend that the furlough system installed last year be continued not only because of the economy produced but because, being tantamount to the "5-day week," it sets an example which should be followed by the country and because it embraces within its workings the "spread work" principle and thus serves to maintain a number of public servants who would otherwise be deprived of all income. I feel, however, in view of the present economic situation and the decrease in the cost of living by over 20 per cent, that some further sacrifice should be made by salaried officials of the Government over and above the 8½ per cent reduction under the furlough system. I will recommend that after exempting the first \$1,000 of salary there should be a temporary reduction for one year of 11 per cent of that part of all Government salaries in excess of the \$1,000 exemption, the result of which, combined with the furlough system, will average about 14.8 per cent reduction in pay to those earning more than \$1,000.

It will be recalled that last spring when the President first sent in a message about Federal pay cuts, he did not want to exempt anybody, and did not want to exempt any amount of salary. He wanted to tax the poor charwomen and the messengers and others receiving a salary of \$1,000 or less. He absolutely suggested no exemption of any amount, but due to the outcry of the Members of this House he sent in a subsequent message asking that \$1,000 of salary be exempted, and the bill was passed in that way.

In the message sent in here yesterday, which we are now discussing, the President suggests that the forgotten man, the Federal employee, who is kicked around from post to pillar, receive another cut of 11 per cent. You gentlemen who are employers of labor know that if you have your own employees in constant dread of a cut, in constant fear of the tenure of their positions, you will not get efficient service from them. How can the Government get efficient service under similar conditions? According to the figures of the Director of the Budget, 17 per cent of the Government employees receive less than \$1,000 per year. Under the exemption of \$1,000 these employees would not be affected. However, 37.7 per cent receive less than \$1,500 a year; 57 per cent receive less than \$2,000 per year; 84 per cent receive less than \$2,500 a year; and 95 per cent of all Government employees receive less than \$3,000 per year. The average salary of all employees is about \$1,440 per year. There are listed by the Civil Service Commission about 700,000 Government employees. Of this amount about 10 per cent, or 70,000, are employed in the District of Columbia. Let us take the average salary of the Government employee. It is \$1,440 per year, but for the sake of even figures, let us assume that it is \$1,500 per year.

A cut of 11 per cent, as suggested by the President, on the first \$500 after the exemption of \$1,000, would amount to \$55. Then if we apply the existing cut that is now in force, 8½ per cent, to the remainder, the tax for that remainder would amount to \$120.42. Adding that to the \$55, the proposed 11 per cent cut, would make a total cut of \$175.42 in the salary of a Federal employee receiving only \$1,500 per year; or, in effect, all the money that he would have to spend for the support of himself and his family would be \$1,324.58 per year. That is, we have that amount as his net yearly salary. The same rule would apply to all salaries of Government employees who receive in excess of \$1,000 per year; of course, in the higher brackets the same exemption of \$1,000 would be made.

There is another thing that I want to call to your attention, and that is that in the President's message he merely suggests the cutting of salaries of civil employees. He refrains from suggesting cuts in any of the other branches. The poor civilian employee must stand the brunt of the entire battle.

The President has said that there has been a 20 per cent cut in the cost of living. How many men sitting here have been able to discover this illusive 20 per cent that the President speaks about? I know I have tried to find it, especially during the past year. It would have been a great solace and help to me if I had found it, and I know it would have been to you Members, but I confess that it has eluded me, and, to my mind, this 20 per cent cut in the cost of living is a myth, and can not be found in reality.

We did not get any constructive suggestion from the President, such as recommending the legalizing of beer and wine, as the people of the country mandated us on November 3 last.

If the existing taxes on these beverages were collected, we would receive a revenue variously estimated at between \$300,000,000 and \$600,000,000 per year. Not a word about that. Oh, no; but "let us get after these little Federal employees. Nobody loves them; nobody likes them; nobody is behind them; we can get away with that much easier than we can anything else."

You Members know these employees and I know them. Thousands of these employees, depending on the salaries of their positions, have engaged to purchase small homes, have engaged to send their children to high school or to college, to give them a better chance than they had. Now, by one fell swoop you are going to so cut their little stipends that these things to them will be impossible. There will be foreclosures on their little homes, not being able to pay the current rates of interest on the mortgages or the high land taxes or the high cost of insurance and maintenance. All of these things would be destroyed if we followed the suggestion of the President and make this additional cut in salaries. You know and I know that the homes of this country are the very foundation and bulwark of the safety of our Nation. If we destroy the homes, if we send out men and women and children in this country from the home-roof tree and make them wanderers on the highways and byways of this country, we will strike a more severe blow at the fundamental integrity and security of our Government than we could by any other means.

Knowing the temper of you Members as I do, I feel that you are not going to permit any further cut of this kind or of any kind to be made in the salaries of Federal employees. I say to you as a member of the Committee on Appropriations in this House, and as a Member of this House, that I will do everything in my power to prevent any further cut.

I think that every right-thinking Member who has the interest of our Government and its institutions at heart, will take the same course. I believe that in these times of stress, when we are all suffering, when everybody is laboring under great hardships, trying to make ends meet, trying to keep about a half an inch ahead of the sheriff in order to get along, any curtailment in income will mean a great hardship and a positive disaster.

I have taken this opportunity, the very first one that has presented itself to me, to raise my voice against this phase of the President's message, and to say to the President as was said last year, "We will not further cut salaries of the little Federal employees, and ask you to reconsider as you did last year, and send in a further message modifying your views on this subject."

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GREENWOOD. Mr. Chairman, I yield to the gentleman from New York two additional minutes.

Mr. SIROVICH. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. SIROVICH. My distinguished colleague realizes that there are three kinds of wages, namely, starvation wages, living wages, and saving wages. From what I have observed



of the gentleman's address the Federal employees have only been the recipients of living wages, and what the gentleman is objecting to is having those wages reduced to starvation wages under the influence of the Republican régime. Is that correct?

Mr. BOYLAN. That is correct, although I would like to modify the gentleman's statement in saying that I do not consider the average Federal employee's wage of \$1,440 as a living wage under his classification.

Mr. SIROVICH. The gentleman is in favor of a saving wage?

Mr. BOYLAN. Ordinarily I think that the Federal employee's wage of \$1,440 would come under the classification which the gentleman has made of "starvation wages," and I refuse to be a party to further decreasing starvation wages. [Applause.]

Mr. GREENWOOD. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. HOWARD] 15 minutes.

Mr. HOWARD. Mr. Chairman, yesterday some Members of the House listened to the annual message of the President of the United States. I was asked by the newspaper boys for an expression of my opinion regarding the message, and, being always desirous of losing no speech which might be regarded as unhappy in the ears of my President, I told the boys I thought my best description of the message would be to say that it was magnificent; magnificent in its silence with reference to the greatest problem now confronting the American people, the problem of a square deal for the primary interest of the United States—agriculture. [Applause.]

I am at a loss, Mr. Chairman, to understand how our President on an occasion like this could have contented himself with addressing to the Congress a message containing practically nothing that might be construed as a recommendation for legislation in behalf of that great primary interest.

I understand that our President is learned in the letters. Oh, he must have heard that long ago another President of the United States, speaking to his Cabinet one day, said:

Gentlemen, I am fully persuaded that the best stone in the foundation upon which rests the house of our Republic is the American farm.

And in the vastness of his knowledge certainly he remembered how long years afterward another President, Abraham Lincoln, speaking to his own Cabinet one day, quoting the words of Jefferson, applauded them and said he desired to add one sentence, namely, that no house can be safe with an impaired foundation.

Mr. Chairman, it does seem to me that our President ought to realize along with all intelligent men and women in America that the foundation stone of the American farm has been impaired, and impaired by governmental hands.

Right here and now I want to correct a general expression I have so often heard, which is wholly false, namely, that agriculture has fallen into the ditch of depression. This is not true. Agriculture is down in the ditch, it is true, but agriculture did not fall into the ditch; agriculture was pushed into the ditch by governmental hands, and, my friends, no other hand than the hand of the Government can lift agriculture out of the ditch. By this I do not mean this Congress should grant anything in the nature of relief to agriculture. I despise that word so often employed with reference to agriculture. I am not asking legislation for the relief of agriculture. I am demanding legislation to give agriculture a square deal along with every other industry under the flag. [Applause.]

Is it possible that our good President does not really know the distress of that primary interest in America? It does not seem possible. Oh, if he could only come with me and I could get him to lift his eyes away from the floor long enough I would like to have him look upon the scenes of desolation in all the farm zones in our country.

Mr. Chairman, I am not an alarmist; I am not a pessimist. I am always an optimist, but optimist though I am, I can easily without a prescient eye see harbingers of danger to our country in that day in which we become a people who may fairly be designated as a homeless people. The strength of our Republic has been largely in the fact that

we were a home-owning people, but I tell you, my colleagues, that if the process of ejecting people from their homes under mortgage foreclosures shall go forward for a few years longer, as it is now proceeding in our country out where I live, very, very soon this will be a republic of the homeless.

Why, the President ought to have been able to gather from the records the facts that in many of the States the great burden of the suits that are filed in the courts is the foreclosure of mortgages. What does he do in an effort to alleviate the situation of the mortgage victim? Nothing at all. He never has done anything. He may have a heart of interest. I have never seen it. I have never seen any indication of it.

Speaking of hearts, I heard John Simpson, president of the National Farmers' Union, say that he had a scientific friend who had invented a machine by the aid of which he could just turn a little crank and take an X-ray picture. He said his friend gave him that little machine, which was no larger than the average reel on a fishing rod, and told him to try it on a friend of his. He said, "The first friend you see walking down the street wearing a light-colored coat you walk within a distance of about 10 feet of him and turn the crank and then darken the machine and take it over to a photographer and have it developed, and you will be surprised how perfect the picture will be with reference to the interior anatomy of that man."

Well, he said he did that. He walked out on the street, and, lo and behold, the very first man he saw walking down the street garbed in a light-colored coat was the President of the United States. He wanted to be respectful, so he did not get too close to him; but he went close enough to point the little machine at him and turn the crank and get a picture. He rushed it over to the photographer and had it developed. Then he made a remarkable discovery—that here was a man with two hearts. One was a magnificent heart, big as a pumpkin. It was the President's heart of sympathy for Europe. The other was a little heart, just about as big as a dry prune, and that was his heart of sympathy for the American farmers.

Mr. HOGG of Indiana. Mr. Chairman, will the gentleman from Nebraska yield?

Mr. HOWARD. Oh, yes; I will gladly yield.

Mr. HOGG of Indiana. I wonder if the gentleman will be good enough to state to us what relief for agriculture he proposes?

Mr. HOWARD. I thank the gentleman. He knew I wanted somebody to interrupt me.

I want the gentleman and I want the President of the United States to become interested in three specific bills.

Agriculture depends largely upon the volume of currency in circulation in our country. You will remember that 12 years ago, by order of the Morgan-Mellon group of international bankers, acting through its lick-spittle, America's most august criminal, otherwise known as the Federal reserve system, stole away from our volume of circulating medium \$3,000,000,000. I want that amount of money restored to the volume of circulating medium where it belongs. And how can we get it most rapidly? There is pending before this Congress now a bill which will give us that \$3,000,000,000 in a hurry. It is known as the Wheeler bill, and it provides that any American citizen may take rough silver to any mint and have it coined into silver dollars and put it in circulation. Oh, that will help splendidly, and that is one remedy I am asking.

Another one is the Swank bill, introduced by our colleague from Oklahoma. What does it propose to do? It proposes to do for the product of the American farm exactly what our Government is now doing for the product of the American railroads and other public utilities. What is their product? They have but one, and that is the product of transportation. My colleague can not go down to the depot now and buy a railroad ticket to his home at less than the fixed price. Who fixes that price? The Federal Government. The railroad companies do not fix that price. The Government, through its Interstate Commerce Commission,

some members of which, in my eyes, are nothing more than railroad bird dogs, fixes the price, and no railroad official dare sell a ticket for less than that price. The Swank bill, in fine, provides that the home-consumption part of the product of the American farm shall be treated just like the product of the American railroads.

My next program—my colleague asked for a program that I would adopt—it is not mine, but I would like to take possession of it and claim the honor of it if I could, but the honor belongs to a Senator of the United States. I do not care if the rules do forbid mentioning a Senator, I am very proud of that Senator who has introduced this bill. His name is FRAZIER. He has introduced a bill for the Government of the United States to do for the mortgaged American farmers exactly what the Government, through the Hoover Reconstruction Finance Corporation, is now doing for certain sick railroads, tottering insurance companies, and kindred interests in trouble. That bill proposes that the Government shall refinance every mortgage which rests upon an American farm, if it is made in reasonable harmony with the value of the property, and shall carry that mortgage a long term of years at a very low rate of interest. How low shall the interest be? The bill provides that it shall be at the rate of 1½ per cent and it requires the farm owner to pay additionally 1½ per cent annually for the purpose of amortizing the mortgage. This would enable him to live a long number of years free from fear of the approach of the sheriff with a mortgage foreclosure notice in his hand.

Mr. MAY. Will the gentleman yield?

Mr. HOWARD. Yes.

Mr. MAY. That bill further provides for an adequate system of marketing the bonds and securities to enable the farmers to get this money.

Mr. HOWARD. I think that is true.

Ah, my friends, you who do not live on the farm, you who do not live in the farm zone, let me draw a picture of the situation out there. I have traveled over that wonderful country for many, many years. I have seen those beautiful homes out there with every comfort attaching to them—good buildings, well stocked, and often when I would drive away from a visit to one of those homes I would say to my wife or to some companion, "How beautiful it ought to be for these people living here, absolutely on easy street, so far as the affairs of this world are concerned." That was a dozen years ago.

[Here the gavel fell.]

Mr. HOWARD. Did I hear the gavel? [Laughter.]

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman and ladies and gentlemen, I have asked for time to further discuss the war-debt situation. But before I do so I would like to make certain observations, and one is that I hope the Members will not indulge any longer in political partisan attacks. We have just come through a bitter campaign, with a great deal of ballyhoo on both sides. Is it not time that we forego partisan speeches in the present emergency, in the economic crisis with which we are confronted, a far more serious crisis than at any time in the history of our country since the Civil War, very much more serious than at any time in the World War—is it not about time that we cease these partisan attacks?

Although I was not in Congress at that time, I believe that the Republican Members of the House went along with their war President in the emergency. I believe that was the right and proper thing for them to do, just as I believe that it is the proper thing now for the Republicans and the Democrats in the present emergency to combine in combatting the depression and its manifold evils and help to solve the economic problems for the benefit and interest of the American people. [Applause.] We might very well adopt a moratorium on partisan politics for the rest of the session of Congress in the interest of our country. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. FISH. I yield.

Mr. BLANTON. Surely the gentleman can not have forgotten the ramifications of the Graham smelling committee and the Walsh committee—

Mr. FISH. Oh, the gentleman need not go further—I was in Congress at that time and that was after the war was over. But I say that in the emergency of the war the Republicans supported our President, I say to you that during this emergency now it would be for the best interests of both parties and for the people and for our country if we should have a political armistice and stop bitter political partisan attacks on both sides and work to solve the economic problems for the best interest of the country. [Applause.]

Mr. SIROVICH. Will the gentleman yield?

Mr. FISH. Yes.

Mr. SIROVICH. In this moratorium would the Republican Party be in favor of the repeal of the eighteenth amendment?

Mr. FISH. I did not know that that was a partisan issue—apparently it is not by the vote that was taken yesterday. Therefore, I think the gentleman can best answer the question himself.

Another observation is, and I say this for the benefit of the members of the press. I am no alarmist. I do not anticipate any revolution or serious difficulty with the communists, but I want to point out, particularly to the press, the difference between those so-called hunger marchers who appeared in Washington yesterday and the veterans who were here before we adjourned in the last session.

The veterans who came here were not communists; 95 per cent of them were veterans who served in the World War and a very small per cent were communists, not more than 5 per cent and probably less. They were misguided and badly advised in coming to Washington, but they thought all they had to do was to appeal to Congress and get the bonus.

I have no sympathy, however, with the way in which they were handled in Washington nor with the statement made that only a small per cent were veterans.

But it is a different proposition with the so-called hunger marchers that we had here yesterday. They were not hunger marchers, they were not hungry, and they did not march. They came here in trucks provided by the Communist Party in every city from which they came. They were organized and led by communists. Ninety-five per cent of them were either communists or sympathizers with communism. It is time that the press stopped calling them hunger marchers. They should call them just what they are, communists or members of the Communist Party, or communist sympathizers. They had the right to come here, they had the right to petition Congress, and I am glad that permission was given them to present their petitions to the House of Representatives and to the Senate. But let us state the facts plainly, clearly, and freely and show the distinction between the veterans and these communists, because the communists do not deny it. They will go back to their communists' meetings in the next few weeks and will praise themselves for the effective propaganda work that they did here; but there are millions and millions of unemployed who are hungry and undernourished who do not realize the fact that these so-called hunger marchers were communists who came to Washington not to help the unemployed but to stir up unrest and a revolutionary spirit throughout the country. Many of the unemployed back home think that they were representing them, when as a matter of fact they were only playing politics with human misery, and we ought to have those facts presented freely in the press.

My attitude on the foreign debt question is known to many Members of the House. I have opposed cancellation in the past and will continue to do so, but I do think that the House can not afford any longer to be deaf, dumb, and blind to appeals that have been made honestly, through proper channels, by great European nations, stating that in

this economic world depression their capacity to pay has been seriously diminished and asking for a revision of the war debts. We can not simply wipe these requests aside and say that these debts have been settled for all time and we will not give you even the courtesy of a hearing. Upon what basis were they settled? They were settled on the basis of capacity to pay. If a debtor comes to you as a creditor and says that he can not meet his debt, that he wants easier terms, you have to meet the debtor and discuss the situation with him, and as a nation we are in exactly that position.

I am no cancellationist. Before I go further let me point out the strength and the fairness of the original debt settlement. In the first place we had nothing to do with bringing on the World War; we had no part in its origin or in causing it, directly or indirectly, and it is not fair to our taxpayers to burden them with the entire cost of the war after we entered it. We went into it because we were forced into it, against our will, by the attacks of the German submarines upon our ships on the high seas without warning. It was a war that we did not seek. We were forced into it to protect our own rights and our own flag. We do not claim now that we won the war, but when we went into it we did everything that we could to win. We sent 2,000,000 American soldiers over to the other side. We turned the tide of defeat into victory. We do not boast about it. We know the losses of the war-weary Allies and we know the comparatively small losses of our own troops, but it was the coming of those 2,000,000 veterans to Europe that did turn the tide of defeat into victory, and now, some 14 years after the war, we are not given the credit of it. It is only right that we Americans should pass on to oncoming generations the true facts of our participation and just what we accomplished.

When the war was over and the armistice was signed we asked for no conquered territory, we asked for no plunder, we asked for no reparations, and for no indemnities. We asked for nothing and we got exactly what we asked—nothing at all. After the armistice we brought our troops back from the other side. We asked nothing from Europe, and that is the strength of our settlements of these war debts with Great Britain, France, Italy, Belgium, and other European nations. Great Britain and France took vast conquered territories, and even Italy took its share. We got nothing, and when we settled those war debts, we settled them showing the utmost generosity and liberality. We reduced the Italian debt down to 25 cents on the dollar. We reduced the French debt 53 per cent, and we are only asking from France that amount of money which we loaned her after the armistice. Yet the French politicians have influenced the French people into believing that they are justified in asking for a cancellation of these debts. I regret to say that many Americans who have practically expatriated themselves and who spend more time in France than they do in the United States are largely responsible. These Americans attend dinners, where they meet the French Government officials, and after they have imbibed some of the good old French wine they begin to tell these French officials that nobody in America believes in the payment of the war debts and that they ought to be canceled, and that they are speaking the true sentiments of America. This handful of Americans, who are more pro-French than they are American, are more to blame for leading France and her officials to believe that we will cancel the French war debts than any one other influence. It is time that both the French and American people knew that all that we are asking from France is the amount of money that we loaned her after the armistice for reconstruction and domestic purposes in France and not for carrying on or winning the war.

But when it comes to the British debt settlement, there is an entirely different situation, and the reason I am speaking here to-day is that I understand from the press that the President in the next few days will send a special message to the Congress suggesting the creation of a World War debt funding commission for the purpose of listening to the pleas of foreign countries, that their capacity to pay

has been seriously impaired and diminished. I for one believe that that is the only procedure that is proper, honest, and courteous to take. I do not understand how it can be handled otherwise. After Congress has made the definite statement that it has, I do not believe that it can be properly or honestly handled through diplomatic channels. We must remember that the House of Representatives by the Constitution of the United States is empowered to initiate all tax legislation. That power was given to us instead of to the Senate because at that time it was thought the House was nearer to the people because it had two-year elections instead of six. That is the paramount power of the House of Representatives, and we have already stated emphatically that we will insist on our rights and that we are in control of these war debts, and that if they are to be revised or reconsidered there must be some action initiated in the House of Representatives. I hope the report is true that the President has asked for the reestablishment of a debt funding commission, and if that is not the proper way, then let the majority in the House propose their plan. Speaking as an individual and not as the representative of the President or the administration, I believe the English debt settlement, although it may have been fair in 1922 when we asked for 80 per cent of the war debt and settled on that basis, is far too harsh at the present time.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. DIES. Does the gentleman believe that we would be justified in considering a cancellation or reduction in view of the fact that our debtors to-day are maintaining armaments that cost \$1,500,000,000?

They are not only maintaining those armaments but increasing them year by year, and yet they come to the United States and ask us to reduce an honest indebtedness, when they are so extravagant with the money of their people.

Mr. FISH. I agree with the gentleman. I do not believe the war debts should be reduced or revised until the military and naval powers of Europe agree to reduce their gigantic budgets for military and naval purposes, and particularly the latter.

Mr. DIES. Will the gentleman yield further?

Mr. FISH. I will yield for a brief question.

Mr. DIES. If that be true, then, what good purpose could possibly be served by creating a debt funding commission which would lead the people of Europe to believe that we would reduce the amount of the indebtedness?

Mr. FISH. Oh, it would be easy to attach to that a clause that Congress will not consider further reductions until these naval and military budgets are reduced, and that is the opinion not only of Congress but of the American people.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. FISH. I yield.

Mr. LAGUARDIA. The commission would not have any final power. They would make a report back?

Mr. FISH. Certainly. It is merely a means or a channel to have a meeting of the best minds of the Congress and of those debtor governments in Europe.

Mr. DIES. Will the gentleman yield further?

Mr. FISH. I will yield briefly.

Mr. DIES. If we have determined on that position that we will not reduce the war debts unless they make corresponding reductions in armaments, then why should we have any parley or negotiations that will only lead to further misunderstandings?

Mr. FISH. There can be no misunderstandings whatever, because we here in Congress will have the final determination before any reduction in the war debts is made. But the gentleman from Texas and I are evidently in accord that there should be reductions in the naval armaments. Every Member of this House will be surprised at the figures I am about to present, which I received to-day, showing the appropriations by the governments with whom we are involved—Great Britain, France, and Italy—for naval armaments within the last two years. I, for one, was under the impression that Great Britain was building a vast fleet; and the figures show that France and Italy are spending more money for

new construction than Great Britain or Japan; that they have been authorizing more money and more tonnage than either Great Britain or Japan since 1930. Therefore it is not only a matter of the naval appropriations for Great Britain that is involved in the debt settlements, but also the huge appropriations being made also by France and Italy.

Mr. DIES. Will the gentleman yield further for a brief question?

Mr. FISH. I yield.

Mr. DIES. The gentleman, of course, is aware of the fact that the American people are weary of commissions. They are undoubtedly sick of our policy of creating a multitude of commissions. Why can not appeals be considered through the regular channels, diplomatic channels, without the creation of another commission?

Mr. FISH. Because we have the sole power in this House to initiate tax legislation, and we have already said that we realize we have the power, and we do not want any action taken unless we initiate it. That is practically our last word on this vexatious and controversial issue, and I think it still holds good.

I have no brief for Great Britain, but I do believe that under the existing economic conditions, particularly in view of the appeal she recently made in dignified terms, setting forth her economic plight, that such an appeal is entitled to consideration. We, as reasonable men, know what the economic troubles of Great Britain are to-day. We know that her capacity to pay has diminished 50 per cent or more in the last few years, and yet she has paid 75 per cent of all war debt payments made on the World War debts to the United States. She has already paid the huge sum of \$1,912,000,000—practically \$2,000,000,000. Furthermore, the money that we loaned to Great Britain was mostly loaned during the World War to help win the war, and was not like the French debt, or possibly the Italian debt, which was largely for money loaned after the war. Great Britain took that money and reloaned a great deal of it to foreign nations to carry on the war, and those foreign nations are not repaying Great Britain. It is in a different category than either the French or Italian debt, yet we asked 80 per cent from them, 49 per cent from France, and 25 per cent from Italy.

I think, due to those facts alone and due to the fact that Great Britain has paid 75 per cent of all the war-debt payments to the United States and was the first great nation to enter into a debt settlement and will, in my opinion, pay on December 15, she is entitled, at least, to be heard. I have no knowledge that she will pay on December 15, but I know from past history that the bond of the British Government is sound and that the word of the English Government is good, and that she will not repudiate it and put herself in the class with Soviet Russia. If Great Britain has the money to pay, she will pay it, and it is well for us to make that distinction between the British debt and the French and Italian debts.

If I had my own way, without regard to armaments, although I think I have spoken in this House at least three times in favor of reaching an agreement with Japan, Great Britain and the United States to further proportionally limit battleships and battle cruisers, thereby saving \$100,000,000 or \$150,000,000, this war debt could be used as an entering wedge to get Great Britain to agree to reduce the 18 battleships over 10,000 tons to 10 battleships, and 10 for the United States and a proportional reduction for Japan and France and Italy, and we would have identically the same proportional national defense.

Mr. BLACK. Will the gentleman yield?

Mr. FISH. I yield.

Mr. BLACK. The gentleman understands that Great Britain has enough money to give direct relief to those unemployed, while our organization does not think we have enough money to give direct relief to our unemployed.

Mr. FISH. Well, I think conditions in Great Britain are so serious—as well as in Germany—that if they did not give direct relief there would be a political revolution in those countries, because they can not obtain the millions and

millions necessary through private relief, as we can in this country. Those people would just starve to death, and, although I am against direct relief, although I am against unemployment insurance and the dole, if such a situation develops in this country in the next two years, then we will have to do likewise, because we are not going to permit American citizens to starve any more than they will permit their citizens to starve.

Mr. MILLARD. Will the gentleman yield?

Mr. FISH. I yield for a brief question.

Mr. MILLARD. Is it not a fact that the British Government has given orders for 27 warships within the last week?

Mr. FISH. I have not heard of any such statement. Here are the figures given me to-day showing the appropriations for new naval construction in England, Japan, France, and Italy. These figures are from our Naval Intelligence Office as of December 6, 1932:

The British Empire: 1930-31, \$30,500,000; 1931-32, \$21,500,000; 1932-33, \$33,700,000.

Japan: 1930-31, \$40,800,000; 1931-32, \$33,500,000; 1932-33, \$26,900,000.

Now to get to France and Italy.

France: 1930-31, \$39,400,000; 1931-32, \$34,600,000; 1932-33, \$29,700,000 (for nine months only).

Italy: 1930-31, \$31,600,000; 1931-32, \$37,100,000; 1932-33, \$38,100,000.

This shows that France and Italy, which are not naval countries at all, are appropriating more money for new construction than Great Britain and Japan.

Mr. MILLARD. What I have just said was taken from the London Post.

Mr. FISH. The figures I have just quoted come from the Office of Naval Intelligence to-day.

Mr. SIROVICH. Will the gentleman yield?

Mr. FISH. Yes; for a short question.

Mr. SIROVICH. Does the gentleman realize that the Governments of England and France up to the present time have never taxed their people one cent to pay our debts, but instead have collected reparations from Germany and used almost three-quarters of it to pay our debt and kept one-quarter for themselves while the American people have loaned the money to Germany with which to pay these reparations?

Mr. FISH. The gentleman does not understand any such situation at all. It applies to France, but not to Great Britain. Great Britain is the most heavily taxed nation in the world—much more heavily taxed than France or our own country.

Mr. SIROVICH. That the reparations has been sufficient for her to pay our obligations and have some left over? Does the gentleman understand that?

Mr. FISH. The gentleman does not understand any such thing. Great Britain has never received sufficient money from Germany to pay us by at least 25 per cent, and, as far as taxing her own people is concerned, they are the most heavily taxed people in the world.

Mr. SIROVICH. But they are not taxed to pay our debt.

Mr. FISH. What the gentleman says is all right as to France. France has been getting more in reparations than she pays out to other countries, but that is not the case of Great Britain, and to-day, under the moratorium, is not getting a cent. France is still getting a very small amount under the moratorium. So the gentleman is correct as to France, but not as to England.

Mr. LOZIER. Mr. Chairman, I would like to ask if the gentleman will answer these two direct questions: First, as to the capacity to pay, should that capacity be measured in a period of unprecedented depression and economic distress, or should the capacity to pay be spread over the debt period?

Second. Is it not true that these nations have received in territory property the potential value of which is largely in excess of the war debts which the European nations owe to America, and this territory, long before the maturity of this debt, will be worth five or six times as much as the total war debt of the nations of Europe to America at the present time? Is not this true?

Mr. FISH. It is problematical how much these territories will be worth. They may now be costing the nations more than they receive from these territories, and only a debt-funding commission could intelligently ascertain the facts. Some of these territories in Africa may cost the Government far more than they are worth at the present time. What they will be worth in the future can not be figured out.

As for as their capacity to pay under the present economic conditions, the gentleman, of course, is correct. It has diminished perhaps 50 per cent, or more. But at least it should be considered. We can not refuse to grant the courtesy of a hearing to these debtor nations any more than the gentleman can refuse a private debtor who comes to him as a creditor and says: "I want easier terms of payment. I can not pay you at the present time without destroying my business, without taking the food out of the mouths of my family. I want easier terms." This is exactly what these nations are doing at the present time. They are in a critical situation and they are in the midst of an economic crisis. What will happen in the future we are not able to say, but we can not afford to ignore the requests of any of the debtor nations for a hearing on the basis of capacity to pay.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. FISH. For a brief question.

Mr. BLACK. The gentleman will admit that Great Britain is much better off than she would have been had Germany won the war?

Mr. FISH. Oh, yes. I think possibly it was a war to save civilization, but I think at the present juncture we are facing just as serious a situation. We are facing a situation which involves the civilized world, and not only the welfare of 120,000,000 people in America, but the welfare of the entire civilized world and the economic stability of its greatest nations. I believe that Great Britain will pay the installments due on their indebtedness on December 15. I believe France and Italy will also pay. However, after that, if we force them and continue to insist on payments on the dotted line you may force them to repudiate, and if you do it will be the worst thing in the world for world peace and world understanding. It must be apparent to everyone that unless economic conditions improve in Great Britain she will be forced to repudiate these war debts. I do not want to see the United States a party to any such unfair tactics. That is the situation we are confronted with and I say to you that if the President recommends the re-creation of the Debt Funding Commission I hope the Democratic majority will either give it serious consideration for the good of the country or come in with some proposal of their own that will be adequate so we may grant an honest hearing to the appeals for a fair revision submitted by any country and determine their capacity to pay in view of the present deplorable economic conditions for our own good, for world peace, and the civilization of the entire world.

Mr. SIROVICH. What would happen to France if she repudiated her debt when she pays 80 cents out of every dollar for a great armament to help maintain Belgium, Czechoslovakia, and Poland as an armed ring against Germany, Austria, and Hungary?

Mr. FISH. The gentleman exaggerates, but I am not in sympathy with the French contention which makes us out a Shylock when we are only asking for the money which we loaned her after the war, but the French budget amounts to approximately 10 per cent for military armaments.

Mr. SIROVICH. Does the gentleman believe she will repudiate her debt?

Mr. FISH. I have already stated that I believe she would pay the installment due on December 15. France to-day has a much larger amount of gold per capita than any nation in the world.

Mr. BLACK. Does the gentleman think the Debt Funding Commission ought to apply to the present situation as well as the British?

Mr. FISH. Yes; the need for such a commission is apparent and should apply to all nations asking for a reduction. Each case should rest on its own merits and be considered

separately. I believe the French appeal is largely political and inspired by French politicians. They have told the French people we have reduced the debt 5 per cent, and they have placarded France from one end to the other with these figures, whereas we have reduced the debt 53 per cent on a basis of  $4\frac{1}{4}$  per cent interest, which is what we paid on the Liberty bonds issued to provide the war loans. [Applause.] I own no foreign bonds and hold no brief for the international bankers who may be affected by a reduction in the war debts. The Congress should not be influenced by the propaganda emanating from international bankers or selfish interests. However, the Congress has a duty to consider the war-debt settlements, both from the angle of the ability or capacity of the debtor nation to pay and as to the safest and soundest policy for the United States to adopt in the midst of a world-wide economic depression that threatens the financial, commercial, and economic stability of the nations of the world.

I append herewith two brief tables giving the actual figures in millions of dollars: (1) Of the prearmistice and postarmistice loans; (2) principal and interest at time of funding, per cent of interest charged, total principal and interest to be paid, payments to date, and present indebtedness.

[Figures in millions]

	Prearmistice	Postarmistice	Total
Great Britain.....	\$3,696	\$581	\$4,277
France.....	1,970	1,435	3,405
Italy.....	1,031	617	1,648
Belgium.....	172	207	379
Russia.....	188	5	193
Poland.....		160	160
Czechoslovakia.....		92	92
Yugoslavia.....	10	42	52
Rumania.....		38	38
Austria.....		24	24
All others.....	10	60	70
Total.....	7,077	3,261	10,338

[Dollar figures in millions]

	Principal and interest at time of funding	Per cent of interest charged	Total principal and interest to be paid	Total payments to date	Present indebtedness
Great Britain.....	\$4,600	3.306	\$11,105	\$1,912	\$4,393
France.....	4,025	1.640	6,848	486	3,854
Italy.....	2,042	.405	2,408	98	2,005
Belgium.....	418	1.790	729	52	401
Poland.....	179	3.306	436	23	206
Czechoslovakia.....	115	3.327	313	18	167
Yugoslavia.....	63	1.030	95	2	61
Rumania.....	45	3.321	123	5	64
All others.....	78		131	32	301
Total.....	11,565		22,188	2,628	11,466

Mr. GREENWOOD. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I believe in letting the dead past bury its dead, and if the White House could refrain from laying a barrage when sending us an annual message, and could let us have a budget unpainted with camouflage, I would agree with all that our friend from New York has said about nonpartisan speeches.

It is too late for the President of the United States to pose as an economist. It is too late for the President to make the people believe that he is in favor of cutting Government expenses. It is too late for the President of the United States, three months before he retires to private life, to advocate the consolidation of departments and the abolition of bureaus.

I am pleased that our friend from Pennsylvania [Mr. Beck] is seated in the Chamber. I consider him one of the best-posted men in the Nation on the subject I shall mention. He is a former great Solicitor General of the United States, and I want to quote him as having said in the last Congress that it is within the power of the President of the United States, without any further law or statute, to

abolish any bureau of this Government, if he wants to abolish it.

Mr. BECK. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. BECK. I did not say that. I said that the President had the power to remove any incumbent of any office or bureau in the executive branch of the Government, but not to abolish the office.

Mr. BLANTON. I will remind my friend of what he said. He said that no bureau could exist without money. He said, in effect—I am not quoting him word for word—that the President, through his Budget—and it is his Budget, because the Budget can not recommend \$1 that is not approved by the President and the Budget responds to no will except that of the President—if the President saw fit to not appropriate money for any bureau, he could put that bureau out of existence. Is not that true?

Mr. BECK. Since the gentleman appeals to me, I would say that is not what I said.

Mr. BLANTON. Well, is not that so?

Mr. BECK. No; it is not so. The Congress of the United States—

Mr. BLANTON. Well, I shall not quote the great Solicitor General any further. [Laughter.]

Mr. CLARKE of New York. Mr. Chairman, I make the point of order that this is not an educational-society meeting to-day.

Mr. MILLARD. Does the gentleman still admit that the gentleman from Pennsylvania is a great Solicitor General?

Mr. BLANTON. I attributed to the great former Solicitor General a knowledge of facts that exists in our country and in our form and system of government which he does not now appear to have. [Laughter.]

It is a fact that the President of the United States can kill any bureau and put it out of existence if he will stop money from going to it. The bureaus are kept alive by annual appropriations. I have sent to the Library for the RECORD and now have before me what my friend from Pennsylvania, Mr. Beck, said. During the debate in the House of Representatives on May 7, 1932, the gentleman from Pennsylvania [Mr. Beck] spoke on the constitutional powers and prerogatives of the President of the United States, and I now quote from his speech the following statements made by him, to wit:

Mr. BARBOUR. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Beck] 20 minutes.

Mr. BECK. Mr. Chairman,

as I hinted before, the vulnerable heel of our form of government, otherwise as strong as Achilles, is the power of appropriation. Our fathers vainly thought they were creating a government of limited powers. If they were alive to-day, they would see that by the abuse of the power of appropriation, as to which the censorship of the judiciary is impracticable, we have become a Government of unlimited power, with socialistic character, almost as great as that of Russia itself in its intimate meddling into the life of the individual and his activities. That has led to the creation of 150 bureaus, at least 50 of which have no possible sanction in any grant of power in the Constitution. [Applause.]

There is a second suggestion that I want to make, in which respect I think the Executive has a greater responsibility than we have, and I want to commend this to the attention of the Executive.

It can not be questioned, since the removal-from-office case of Meyers v. The United States (272 U. S.), which I happened to argue, that the President has the constitutional power to remove, a power which can not be controlled or restricted by Congress in any way. This high prerogative means that if the President deems it in the public interest that any member of the executive departments should be removed such is his power. The Supreme Court has so stated.

This gave him a power, directly or indirectly, to remove any official in the executive department for whom the public service has no real need.

I say this as one who at four different times and under four administrations has served in the executive department of the Federal Government, that these departments all have upon their rolls many Government employees, some of whom have not an hour's work to do a day. They fool around in the corridors, speculate between themselves how to raise themselves in classification, and in general kill time.

Mr. BLANTON. I wonder why the President does not remove them?

Mr. BECK. If the gentleman will allow me, that is exactly what I am coming to. I wish I had a little more time, because this is a feature of this economy program that has received very scant discussion and admits of a very summary remedy.

Let me illustrate by stating that in the administration of that great and wise President, Grover Cleveland, he knew that the departments had thousands of useless employees who were feeding at the public crib and doing little or nothing in return for their salaries, and he instructed his Secretary of the Treasury to make an examination of the Treasury Department. Secretary Carlisle did so, and as a result of a careful canvass he developed that there were some hundreds—I have forgotten how many—who had sinecures. Thereupon, one Monday morning, Secretary Carlisle removed these useless employees.

If the President would tell each member of his Cabinet to appoint three discreet men to go through each department and ascertain the employees that did not have an honest day's work, it would develop at once why this Government is the most over-manned Government in the world, with its 800,000 civilian employees.

The President, then, by the power of removal could eliminate the deadwood from the department.

So you see, Mr. Chairman, I was not mistaken, for the gentleman from Pennsylvania [Mr. Beck] did argue to us on May 7, 1932, that by the "power of removal the President could eliminate all of the deadwood from the departments," and thus abolish all useless bureaus.

It is the money the President asks for and gets us to appropriate that keeps alive the bureau.

Now, it is too late for the President of the United States to come in, three months before he goes out of the White House, and say, "I want to consolidate and I want to abolish." He has had an opportunity continuous for four years to do it, and he has not done it.

I want to remind the country of the fact that in the last Congress our distinguished chairman of the Committee on Appropriations, JOE BYRNS, of Tennessee, proposed a consolidation of the War Department and the Navy Department into one department of national defense, which would have saved at least \$100,000,000; and when the Economy Committee of the House was favorable to his proposition, it was the President's departments that killed it. It was the Members of his Cabinet that came up on this Capitol Hill and stopped it. Had it not been for the influence of the White House and the influence of the President's Cabinet, that consolidation would have been passed in the last Congress and would have saved the people of this Nation \$100,000,000 a year.

There were various consolidations proposed by our splendid Economy Committee which were fought by the President's Cabinet and by his influence stopped here in this Chamber.

I want to remind the country of the fact that for the last three fiscal years the President of the United States could have had his Budget presented to the Congress with recommendations for appropriations in the supply bills that would not have amounted to over \$3,000,000,000, if he had deemed it necessary. Will anyone deny this? I yield to any Republican on the floor who wants to deny it.

Mr. CLARKE of New York. Just a minute.

Mr. BLANTON. I yield to my distinguished friend from New York.

Mr. CLARKE of New York. I thank the gentleman. Is it not true, after all, that in this Congress of ours, during this session, the Democrats have been in control by a substantial majority in the House, with a Democratic Speaker in the chair, the Democratic Vice President elect? And why is not the responsibility as well there with respect to cutting down appropriations?

Mr. BLANTON. I will answer that question. I can not yield further. I shall yield later.

Mr. CLARKE of New York. Well, answer the question.

Mr. BLANTON. I am going to answer the question.

Every economy proposition that was presented here, with our small majority of three or four votes in the last session, was objected to by the Republican organization on this floor. Our proposal to cut the expenses of the Government by a certain percentage was opposed and defeated on this

floor by the Republican organization, at the instance of the President, and the so-called President's plan was put in operation here on this floor because we did not have the necessary votes to pass measures over his veto. We did, however, succeed in reducing the President's Budget and we appropriated \$334,000,000 less than he asked for, and we saved that amount for the taxpayers of the Nation.

If the President of the United States had the power and privilege of sending us a Budget that embraced recommendations for only \$3,000,000,000 during the last three years, why did he not do it? Why did he ask for over \$4,000,000,000 for each of the last three years? Why, just before he goes out of office, does he now send us a Budget that proposes to cut \$800,000,000 from the expenses of this Government? Why did he not send us such a Budget last year for 1933? Why did he not send us such a Budget for 1932? Why did he not send us such a Budget for 1931? I ask you, in all decency, why did he not do it?

Mr. BLACK. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. BLACK. The President has reformed.

Mr. BLANTON. He realizes that we Democrats are going to reduce expenses. Therefore, I say that when we get a Budget that is camouflaged and painted and demagogued, we have a right to discuss it on this floor.

Talk about debt cancellations. Talk about another moratorium. I want to remind my friend from New York [Mr. FISH] and I want to remind the Republic of France that I was in this Chamber back at the time just after we had entered the war, and I saw come upon the Speaker's stand the head of the French High Commission.

I heard Premier Viviani speak from that stand after he had kissed Uncle Sam on both cheeks and the flag, with tears in his eyes. Speaking for the commission, he said that France would never forget what this country had done for France when we agreed to loan them the money they needed and to send them man power across the seas, and that France would repay us with interest.

I remember that we paid France for every soldier we sent across in her ships to save her Republic. I remember that we paid France for every damage that we did to her highways when our caissons passed along in her own defense. I remember that we paid her for every tree that was scarred, for every imaginable damage that could be thought of after the war ended. I remember that it was the American soldiers of this country who went to help France and save the civilization of the whole world.

I say that it does not become France now to forget all this. If she does not want to pay on December 15, let her default—but she will never refuse to pay. If she should, it would behoove this Congress to make it a penitentiary offense for any American national to loan another dollar to the French Government or to a French national. [Applause.] That is the way I feel about it.

I can not forget what was done in the vacation which preceded the last session, when the President had a hurried conference with a few Members who could not speak for this Congress. There is no power on God's earth that can speak for this Congress in vacation. It takes legislation in an orderly way, brought upon this floor in an orderly way, and passed in an orderly way under rules and regulations that have been in force for 150 years. That is action by the American Congress, and nothing less than such action by this Congress can bind the Representatives of the people of this country.

I remember that the President promised a moratorium to Europe in vacation. I remember that when that Congress met, they came on the floor and asked us to support our Government from being embarrassed abroad and said that we must approve of what had taken place to save the President embarrassment. I say that the President ought not to do it any more, and that no other President should do it any more.

I say that the people are against cancellation. The people did all that they should do when they reduced the debts in

the first instance and accepted a reduction to about 30 cents on the dollar.

They should not forget that we then held good notes. No better obligations could have been drawn by the best international lawyer known to this country than the ones we held before settlement providing for the payment of interest and everything else—and Congress set aside those good notes and refunded.

I remember that there was a business man in my town who had been in the drug business. He lost everything he had and gave up his business to his creditors. He even gave up his home. He left his wife and children without a roof to cover their heads. He gave up everything he had to his creditors to try and satisfy his debts. A friend of his staked him to a little money, and he went down to Fort Worth and opened a drug store. When this committee that was soliciting for the purchase of Liberty bonds came around they told him that they had assessed him to purchase \$5,000 worth of bonds. He said he could not do it. They said, "You have got to do it." He said, "Let me explain," but they would not hear any explanation and walked out. They did not know his circumstances, yet they would not listen to him. The next morning when he came down to open his store, he found that the whole front of the store and his sidewalk were painted in yellow stripes.

He was called "yellow," to all his neighbors and friends, because he could not meet the assessment and buy \$5,000 worth of Liberty bonds. That was the kind of sacrifice that the people of America made when they sent these billions to Europe, and I am not ever going to vote to further reduce that debt one penny, and all this talk about a new debt funding commission ought to stop. We ought to stop it here, and we ought not to permit it to go on in the country. Whenever you trace it down, you will find an interest represented that owns international securities that were bought for a mere song and pittance, which, if we refund or reduce the indebtedness of the European countries, would rise in value on the stock markets and make the holders of them fortunes overnight. In the interest of those few, all this talk is being carried on in this connection, here and in the press, about canceling debts.

I do not often agree with William Randolph Hearst. I could not agree with him on his sales-tax proposition. I refused to go on his junketing trip to Canada. I do not agree with him on some other propositions. I do agree with him when he makes a fight for the people of the United States against debt cancellation. It is a splendid fight that he is making, and he has the backing of the people of this country on that subject.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COLE of Iowa. In discussing the moratorium, did not the gentleman forget the fact that the President, before he issued the order, wired every Congressman and got his consent?

Mr. BLANTON. Is my friend, who has been a long time here and a valuable legislator, in favor of legislating by telegraph?

Mr. COLE of Iowa. No; but this was an emergency, and it was necessary to act instantly.

Mr. BLANTON. Then he ought to have called this Congress into session.

Mr. COLE of Iowa. But there was no time for that.

Mr. BLANTON. He ought to have called this Congress together, because this Congress can not act except in session under its rules.

Mr. COLE of Iowa. There was no time for calling it together, and it was an emergency, and before the President acted he was considerate enough to wire every Member of Congress, and he received the wired consent of a vast majority of the Members that they would support the act.

Mr. BLANTON. I do not care if he received the consent by telegraph of every Member of this Congress. He did not have the constitutional authority to act. There are three

separate and distinct branches of this Government—the executive, the legislative, and the judicial—and the executive department has no right to invade this Chamber, this Capitol, either side of it, and perform the functions of the House and the Senate.

Mr. COLE of Iowa. The gentleman received one of those telegrams, did he not?

Mr. BLANTON. Yes; I did, and I answered it immediately and told him that I refused to give my vote for any kind of a moratorium. I insisted that our own people must be looked after.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. BECK].

Mr. BECK. Mr. Chairman, before beginning I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BECK. My colleagues of the House of Representatives, I want to challenge your very earnest consideration this afternoon to a question of profound import, not merely in respect to any pending proposed amendments to the Constitution, but as to any future amendments in the unknown future. I am one of those who believe that within the next 25 years this country is destined to undergo many constitutional changes of profound importance, and, therefore, it is a matter of great concern as to what the Constitution meant in respect to Article V and its amending process, if Congress should follow the almost novel course of recommending the ratification of any proposed amendment to conventions to be held in the several States. It may be conceded at the outset, and I shall amplify the thought in a few moments, that that portion of Article V in respect to the manner in which these conventions shall be held, if Congress shall select that method of ratification, is a casus omissus in the Constitution, and the significance of that omission must be supplied by resorting to other cognate provisions of the Constitution, and above all, to the history of the Constitution and the powerful searchlight that it throws upon the meaning of the Constitution in this respect.

I shall attempt to reply to-day to a brief that was recently written by a distinguished member of the bar, who I am rejoiced to see is present on the floor; and at the conclusion of my remarks I shall ask unanimous consent that Mr. Mitchell Palmer's brief may be printed in the CONGRESSIONAL RECORD, so that those who care to study the question in print may have the opportunity of reading both sides of a profoundly interesting question. I admit at the outset that our unintended debate is an unequal match, not only because Mr. Mitchell Palmer has had the great distinction of being Attorney General of the United States—and I was only Acting Attorney General of the United States for two periods of time—but also because the brief, judged intrinsically, is one of very great power. I know of no member of the bar of this country who could have written an abler argument in support of his thesis, which I shall presently outline. In fact, I may confess that, while I commenced the reading of his argument with a strong prepossession in favor of what I would regard as an old-fashioned conception of the rights of the States in the matter of amending the Constitution, yet when I had read his brief I was greatly perplexed. I could not for the moment see an adequate reply to his conclusions, and temporarily I could say, as I think Agrippa said to St. Paul, "Almost thou persuadest me to be a Christian." But after I had read the brief and had considered it further, and especially had consulted the historic precedents, and that which is to me of greater importance, the cognate phrases of the Constitution, which are designed to carry into effect at least similar objectives, I reached the conclusion that the conclusions reached by our distinguished ex-Attorney General were not a true interpretation of the Constitution.

For another reason this debate is an unequal one, not only for the reason that I suggested, of the eminence of Mr. Palmer at the bar of the country, but also for the fact that his brief is a very carefully and deliberately prepared one, while I shall speak wholly extemporaneously. Let me say that he did the country a great service in writing that brief. There has grown up in the last 10 years, due to the eighteenth amendment, a sentiment that if any further modification or repeal of the Constitution be attempted it must be by conventions, as more directly and authoritatively representative of the will of the people than a legislature. The two great parties have pledged themselves that any repeal of the eighteenth amendment shall be by the convention method; and as the country was ignorant of the implications of that method of ratification, it was Mr. Palmer's great service to his day and generation to bring to the attention of the country the very important fact that if we do decide, in attempting to repeal the eighteenth amendment or in proposing any amendment, to choose the convention method as a source of ratification, exactly what that implies as to the relative powers of the constituent States and of the Federal Government. Therefore, I regret that I am approaching the subject in an extemporaneous speech and matching it, with great diffidence, against the brief that has been prepared with the greatest care; yet I shall nevertheless proceed in the hope that the Members of the House will give me their close attention to what is an abstruse question and to some references to history that seem to me to throw a very strong light upon the question.

Let us in the first place read the pertinent section of the Constitution. It is very familiar to you all, but in this discussion the exact language must be borne in mind. Let me say in that connection that we are enjoying the rare privilege of discussing a constitutional question of first impression. Ordinarily, at this late period in the Republic's growth, when we try to discuss any constitutional question, we have to dig down through successive strata of judicial decisions, especially of the Supreme Court of the United States; and as those of us who are familiar with that class of legal work well know, the commentators of the Supreme Court often do more to obscure the text than to clarify it; and if we could only rely on the virgin text, it would often be easier to reach a conclusion as to what the founders of the Republic really meant, than to read the lengthy commentaries of later generations. This is true of all commentaries.

Here, however, the question, as I have said, is one of first impression. This is the way Article V reads:

The Congress, whenever two-thirds of both houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof—

Mark these words—

as the one or the other mode of ratification may be proposed by the Congress.

And there it ends, except for a final provision which is not pertinent to this inquiry.

It will, I am sure, be conceded that there is no express suggestion of any superadded power. It does not say that when the method has been selected by the Congress there shall be any further power of Congress to interfere with the States as they proceed to call the conventions, either to ratify or to refuse to ratify a proposed amendment. Congress can not supervise the holding of these conventions as an implied power, for there is no express power upon which the regulation by Congress of the conventions can be grafted.

Now let us consider that clause in connection with two other provisions of the Constitution, in which you will find that the Congress did particularly specify in one instance that there should be a supervisory power on the part of the Congress and in the other negated any idea of any such



supervisory power. I now read Article I, section 4, in respect to the election of Members to the House and to the Senate.

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time, by law, make or alter such regulations, except as to the place of choosing Senators.

Therefore, you see those wise men of the Constitutional Convention, when they intended primarily to leave to the States the times, places, and manner of selecting their Representatives or Senators, very carefully provided for the kind of supervisory—one might call it veto—power in the Congress to determine whether such regulations met the national necessities.

Now you come to another provision, Article II, section 1, and I attach a great deal of importance to this. It refers to the election of a President.

Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors equal to the whole number of Senators or Representatives to which the State may be entitled in the Congress—

Then there is added that—

no elector shall occupy any office of trust.

Now please note that when the so-called Electoral College meets in each State, it is a "convention" of such State. The mere fact that you call it, in analogy to the electoral college of the Holy Roman Empire—and that was probably the way the term came into existence—an electoral college can not alter the fact that the people in each State, for a purpose of only less importance than an amendment of the Constitution, provide in the matter of next greatest importance, the election of a President, that there shall be a convention in each State, composed of so-called electors, and as to that it says:

Each State shall appoint in such manner as the legislature thereof may direct, a number of electors—

And so forth. It would have been easy for the framers of the Constitution to say, "Provided, nevertheless, while the people may have the power to select electors in any manner as its legislature may provide—because they could be selected at large—yet the Congress shall have supervisory power in the event that it is not pleased with the nature of the regulations of the State legislature in the matter"; but they did nothing of the kind. They did it as to the Members of the House and Senate, reserving the power to supervise the power of the States to choose the times and the manner of electing Representatives and Senators, but not the place for the election of Senators, that being expressly excluded; and as to the other State conventions, the electoral college, they provided that the legislature of each State should have the right and only the right to determine the method in which those electors should be provided. And this was left unchanged in the twelfth amendment to the Constitution.

Now, therefore, it was not so much of a *casus omissus* as at first might seem to be the case; that when the framers came to conventions to ratify the Constitution they said nothing in respect to the manner of the selection by the States of members of the convention, because they had carefully limited the power of Congress to one thing and one thing alone—and that was the selection as to which of the two agencies should ratify an amendment, the one being the existing legislature of the States and the other conventions especially called for that purpose.

It is argued in Mr. Palmer's brief with a great deal of force that any precedent born of the fact that that was the course that was followed when the original Constitution was submitted to the State conventions is not of importance, because our present Constitution was not in existence and therefore Article V did not apply; but I think that argument is only a partial answer to what I am going to call the historical argument, because I may remind you that there was a constitution then in existence, and therefore what the Fathers did in the matter of ratifying the Constitution of 1787 throws a powerful searchlight upon what they intended when they said that they could prescribe conven-

tions as a method of ratification and said nothing more, because they were thinking in terms of existing political acts. They were following a path that they had already beaten.

Let us see whether that is not true. The Government of the United States in 1787, when the Constitutional Convention met in that year, was under a constitution called the Articles of Confederation. The amending clause of that constitution provided as follows: Having stated that the Articles of Confederation shall be "inviolably observed" by every State and "the Union shall be perpetual," added:

Nor shall any alteration at any time hereafter be made in any of them—

That is, the articles—

unless such alteration be agreed to in a Congress of the United States and be afterwards affirmed by the legislatures of every State.

That is similar to that which is embodied in article 5. Although article 5 was much expanded, as will presently appear, it followed the main outlines: That any amendment to the Articles of Confederation should first be proposed in Congress, then be ratified by the legislatures of the several States.

It might have been argued then, as Mr. Palmer argues now, that the then existing Congress, because there was a Congress then before the Constitution, could have said: "We will provide the method whereby the States shall ratify." I do not mean the decision to submit, but the manner, the time, or other details of the process of ratification by State legislatures. But let us see what they did do. When the constitutional convention completed their draft of the Constitution they passed this resolution:

That the preceding Constitution be laid before the United States in Congress assembled, and that it is the opinion of this convention that it should afterwards be submitted to a convention of the delegates chosen in each State by the people thereof under the recommendation of its legislature for their assent and ratification, and that each convention assenting to and ratifying the same should give notice thereof to the United States in Congress assembled.

Therefore the moment the new Constitution was formulated, on September 17, 1787, Madison, Gorham, and King proceeded to New York where the Congress was in session. They at once laid the Constitution before the Congress. Immediately it developed considerable opposition, led chiefly by Richard Henry Lee, of Virginia, and by Nathan Dane, of Massachusetts.

But finally the Congress adopted what was apparently agreeable and consistent with their political conception of a way to adopt a new constitution. In other words, they simply submitted to each State the question whether it would or would not ratify the proposed new Constitution, and the States thereupon proceeded in their own way to elect the delegates and to take such action as they thought proper.

That being true, you then see the habit of mind, and no other habit of mind was conceivable at that time, that when they wrote into the Constitution this provision that there could be a right in Congress to select a method of ratification but said nothing further as to any power of Congress to supervise the details of such ratification, they were acting with a conception of sovereign States, not as old then as now, but then in its pristine purity and strength. In other words, they were thinking along the lines of a union, of an "indissoluble union of indestructible States," where if any attempt were made to change or modify the organic instrument of government, which united the otherwise sovereign States, that, of necessity, it would have to go back to those States, and then they would in their own residual capacity as sovereign States determine whether any amendment to the Constitution should be adopted.

It is undoubtedly true that the framers of the Constitution thought they were liberalizing, and they were liberalizing, the process of amendment by Article V. They knew at the time that the Constitution would undergo tremendous opposition in many States, as it did. They were then so widely divided as to the wisdom of the Constitution that

no single member had an unqualified opinion of its merits. They parted on that fateful day of September 17 with the profound conviction that, while they had worked hard, their work had been largely in vain; that at best they had only provided a temporary bridge to span the gulf of social anarchy that then prevailed. But they knew they had provided a liberal power of amendment contrasted with any existing power of amendment under the Articles of Confederation, and therefore the two most profound students of government, James Madison, well named the "Father of the Constitution," and that acute thinker, Alexander Hamilton, of New York, argued in the Federalist papers that, while the States might not like the Constitution in all its aspects, an alternative and liberal method had been provided whereby either the Federal Government could propose an amendment or the States could propose an amendment, or even a constitutional convention of a national character could be called, to make good any existing defects in the document, to which they had given the loving labor of over four months.

Therefore is it not a tremendous assumption to say that while as to the election of Members and Senators Congress was given a supervisory power over the "manner and the times" of election, and while as to the convention of the electors to elect a President they gave no such supervisory power, but on the contrary affirmed in the most unmistakable way that the electors were to be chosen by the people of the States in accordance with the laws of the States—that when they gave no power to Congress in respect to ratifying conventions, except to select the method of ratification, that nevertheless it must be implied that the Federal Government could thereupon, under the Constitution, take from them their electoral machinery, supervise the elections, and, in other words, make it in substance a Federal act and not the act of a sovereign State?

In order to show exactly what Mr. Palmer's contention is let me read from his brief further. After referring to the fact that there is a very wide and considerable sentiment in this country in favor of a repeal or modification of the eighteenth amendment and that repeal is a matter of urgent and imperative necessity, he thus states his conclusion:

The solution lies in the repeal of the eighteenth amendment which it is submitted may be promptly accomplished by action of the Congress to that end. Thus, as it clearly appears from the foregoing, the Congress may, whenever it so determines, pass a resolution proposing the repeal amendment; such resolution may direct that the proposed amendment be submitted to conventions in the States; it may provide that the amendment shall be inoperative unless acted upon by the conventions within a reasonable time which it may fix.

Thus far I am in accord with him.

Then he continues, and here is where I part company with my distinguished friend:

It may prescribe how and when the delegates to the convention may be nominated and elected, the date on which such convention shall be held in the several States, the number of delegates required to make a quorum, and the number of affirmative votes necessary to ratify the amendment submitted to such convention, and any other needful requirements.

I want you to pause and get the full implication of that contention.

It may prescribe "how and when the delegates to the convention may be nominated and elected." In other words, it can enter the State, exclude all its machinery of election, or any other method of determining the popular will, and say to the States, "Your will to the contrary notwithstanding, the Congress directs that you must elect these delegates in the way that we prescribe," prescribing the qualifications of electors, within, of course, the limits of the Constitution under the fifteenth and nineteenth amendments. He claims that Congress may prescribe "the date on which such conventions shall be held in the several States, the number of delegates required to make a quorum."

That is to say, the Congress could say that one-fourth of all the delegates would be a quorum.

And the number of affirmative votes necessary to ratify the amendment submitted to such convention and any other needful requirements.

In other words, he contends that Congress may direct, mark you, that in this act of a sovereign State in determining whether it will or will not accept an amendment to the Constitution which it is under no obligation to accept, a vote of one-fifth or any lesser percentage of the body of delegates might be regarded as a ratification of the Constitution. Of course, this is a literal implication, and I am sure Mr. Palmer never intended such an extreme, but with great intellectual courage he was carrying his idea to its logical conclusion.

To read such a meaning into the Constitution would be, indeed, to write a new one and to cross a fateful Rubicon.

Let us in a few minutes consider the decisions of the Supreme Court, because much of Mr. Palmer's argument is based upon what I may call fugitive expressions of that great court.

Mr. MONTAGUE. Would it interrupt the gentleman if I asked a question?

Mr. BECK. Certainly not.

Mr. MONTAGUE. Referring to the gentleman's statement as to the power of Congress to establish the convention, to conduct the convention, and operate it in every way, has the gentleman any doubt that if the Congress has that power it could prescribe the qualifications of the electors of the various States to elect the delegates to the convention?

Mr. BECK. To my friend from Virginia I would say that it has, subject to limitations of the fifteenth and nineteenth amendments.

The courts might well say, whatever Congress might prescribe as to the qualifications of the electors, it could not violate the fifteenth or nineteenth amendment. They were the only two I had in mind. Otherwise Congress could, on Mr. Palmer's contention, prescribe the qualifications of electors. If the State had a qualification of a property nature or of an educational test, these could be swept aside, but as to the question of color or sex, I imagine it would be said that the Congress could not, in the matter of electing delegates to a ratifying convention, transgress such limitations.

Mr. MONTAGUE. Congress can not violate the Constitution itself.

Mr. BECK. Congress can not violate the Constitution in theory, but I have known it to be done.

Now let us take the three cases that alone are pertinent.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield the gentleman 30 minutes more.

Mr. BECK. The first case that came up was the case of Hawke against Smith (253 U. S.). In that case the constitution of Ohio had provided that the Legislature of Ohio could have no competence to ratify any constitutional amendment unless there had first been a referendum taken to determine the will of the people. The Supreme Court held that that was not valid in respect of an amendment to the United States Constitution, because the Constitution, desiring to preserve representative government, had prescribed conventions or legislatures, and if Ohio were allowed to limit the power of ratification to a vote of the people, the principle of representative government would be destroyed. It would then be the direct action of the people. This is what the court said:

The power to ratify a proposed amendment to the Federal Constitution has its source in the Federal Constitution. The act of ratification by the State derives its authority from the Federal Constitution to which the State and its people have alike assented.

I am not dissenting to that statement of the Supreme Court, but I want to make one suggestion in connection therewith, and that is that the power of a sovereign State to ratify an amendment to the Constitution, while it has the Constitution as its source of power for the method of its exercise, yet in a larger sense the power of the State is not originally derived from the Constitution, and I say this for this reason. Unquestionably, when the convention of 1787 agreed to the Constitution they did so for the purpose of prescribing in that instrument the limits of the power of the Federal Government, and therefore if any attempt were made to add to or subtract from the fundamental compact

there was a right, quite irrespective of the Constitution, for any State to say: "That was not nominated in the bond; we did not enter into any such compact and we will not agree to it."

Therefore, bear in mind in the legal metaphysics of this question that while the Supreme Court speaks of the source of ratifying power being in the Constitution, the power of the constituent States to determine whether they will or will not ratify an amendment is antecedent to the Constitution and grows out of their nature as sovereign States that created a compact by their own voluntary act. The States are limited by the Constitution as to method and must accept the results of that method, but the process of accepting or rejecting amendments is a part of their residual power.

Mr. BANKHEAD. Would it bother the gentleman if I interrupted him with a question?

Mr. BECK. Certainly not.

Mr. BANKHEAD. Does the gentleman find any field for operation of the provisions of the tenth amendment to the Constitution in connection with his argument, with respect to the reservation of the rights of the States when they are not specifically conferred on the Government?

Mr. BECK. I thank my friend from Alabama for calling my attention to that, but even if Article X had never been ratified as an amendment to the Constitution, in the very nature of the Federal Government no change can be made in the nature of that Government except with the consent of all the States, unless all the States have agreed upon some lesser and easier method of ratification. That was the purpose of Article V, and that is inherent in any federated government. The right to insist upon the preservation of the Constitution without amendment is an act of residual sovereignty and is only restricted to the extent that it is limited by Article V. As my friend from Alabama [Mr. BANKHEAD] points out, to "make assurance doubly sure, and (seemingly) take a bond of fate"—although how feeble the bond is the future was to disclose—before the States would ratify, they wrote into the Constitution an amendment that all rights that are not granted to the Federal Government are reserved to the States. Let me read the exact language, so that we may have it before us. It ought to be the Golden Rule of our dual form of government, but like other portions of the Constitution, it is getting to be, I fear, a rhapsody of words. I read:

#### Article X

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

I am glad my friend from Alabama called my attention to it, because I would like to ask, Where is the power delegated in the Constitution which empowers Congress to go into the States and tell them how they shall elect members to a convention, in the highest, the most vital of all governmental matters, namely, the alteration of the fundamental compact?

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BECK. Yes.

Mr. LAGUARDIA. How does the gentleman reconcile *Hawke v. Smith* (253 U. S. Repts.), to which the gentleman has just referred, with his interpretation and construction of Article X?

Mr. BECK. No reconciliation is necessary. It is quite obvious that when the Constitution said there shall be two methods of ratifying, one by legislatures and one by conventions, that it was not in the power of the State of Ohio to say, "We want something more; we want a direct vote of the people," because if there ever was a conception of democracy to which the framers of the Constitution tenaciously clung, it was that of representative government. They did not believe in direct government by the people, and perhaps they were wiser than this day and generation. In all events, no reconciliation is necessary.

Mr. OLIVER of New York. Mr. Chairman, will the gentleman yield?

Mr. BECK. Yes.

Mr. OLIVER of New York. I think the confusion came from the language in the decision that the legislature was performing a Federal function.

Mr. BECK. I am coming to that. I have read the *Hawke* against *Smith* decision, and now we come to what seems to me the very slender foundation upon which Mr. Palmer's argument is built. *Dillon v. Gloss* (256 U. S. Repts.) involves this principle, whether Congress in proposing the eighteenth amendment could prescribe the time within which it must be ratified. The Supreme Court held that it could. It held this for the reason that the process of ratification was obviously a thing related to a common and reasonably concurrent decision of the people. It could not be by a people who were long since dead contributing one vote, and a later generation other votes. There must be *ex necessitate rei* a period of time, reasonable in extent, so that the will of the people could be concentrated upon a specific proposition, and, therefore, they said that it was within the power of Congress to say that the amendment could not be adopted unless ratified within seven years. I am not quarreling with that decision. It was a decision based on what was, as the court said, an incident to the power of amendment by the States, that they must act within a reasonable time, but I do call attention to the fact that the Supreme Court in that case could have rested its decision upon a broader ground than it actually did, because, please observe, in the eighteenth amendment the 7-year clause was an integral part of the proposal. In other words, what Congress said was, that if the States are willing within seven years to ratify the eighteenth amendment, it shall be the law of the land. It was a part of the proposal submitted to the States. However, the court did not base it on that ground, and, therefore, I shall now read the ground upon which the decision was based. I quote:

As a rule, the Constitution speaks in general terms, leaving Congress to deal with subsidiary matters of detail as the public interest and changing conditions may require, and Article V is no exception to the rule. Whether a definite period for ratification can be fixed so that all may know what it is and speculation on what is a reasonable time may be avoided is, in our judgment, a matter of detail which Congress may determine as an incident of its power to designate the mode of ratification.

Please observe that it is an incident to the power to propose a method of ratification and nothing more.

Of course, the court there unquestionably held that for the purpose of submitting in either form there was the power to determine what was inherent in the submission, a reasonable time within which the States should act. I thought I had the clause before me where they speak of the Federal function.

Mr. LAGUARDIA. I have it here, and I shall read it if the gentleman wishes.

Mr. BECK. Certainly.

Mr. LAGUARDIA. I read:

But the function of a State legislature in ratifying a proposed amendment to the Federal Constitution, like the function of Congress in proposing the amendment, is a Federal function derived from the Federal Constitution, and it transcends any limitations sought to be imposed by the people of the State.

That was contained in a very able brief filed by the United States Government in *Fairchild* against *Hughes*, and argued by one of the greatest Solicitors General that the United States ever had, the gentleman who now occupies the floor. [Applause.]

Mr. BECK. God forbid that I should be held responsible for every quotation in every brief that I filed in the Supreme Court of the United States, and I filed nearly 800 of them. At all events, I was quoting that for the purpose that the Supreme Court presumably quoted it. I do not know how many Members of the House heard my friend from New York, but that was the quotation for which I was looking. What does it say?

I want every Member to hear it, because the whole argument of Mr. Palmer is pyramided upon this expression:

But the function of a State legislature in ratifying a proposed amendment to the Federal Constitution, like the function of Congress in proposing the amendment, is a Federal function derived

from the Federal Constitution, and it transcends any limitations sought to be imposed by the people of a State.

The Constitution undoubtedly gave the authority to the State legislature to ratify or reject a constitutional amendment. The Supreme Court calls that a "federal function." I respectfully suggest it would be more accurate to say it is a "constitutional function of the State." It undoubtedly derives its authority from the Constitution, because only by virtue of the Constitution can three-quarters of the States ratify any proposed amendment. But there is a great abyss between a Federal function, meaning thereby a power granted either to the Central Government or to the States by the Constitution, and a Federal agency. If the legislature in ratifying an amendment is a Federal agency, in the sense that for that purpose it is an instrumentality of the Federal Government, there would be much force in the suggestion that there was unlimited power in Congress to control its own agency; but let us see how far that would lead us. If a convention is a Federal agency, because it performs in the manner prescribed a Federal function, then assuredly it is true that the legislature, when similarly engaged, is a Federal agency, and we are then in a blind alley, that in the most important and vital, and I venture to say the most sacred, of all functions of the States, as to whether they will or will not accept a modification of the fundamental compact, their legislature, representing the will of their people, has become a mere agency of the Federal Government. Then, what follows?

It follows, if that argument be correct, that thereupon Congress can say, "Yes, the Constitution made the legislature of the State a Federal agency. We will therefore set up a legislature. We will determine how the members shall be elected to it. We will determine the manner and the time of its meeting. We can send a United States marshal to its sessions to sit beside the speaker of the house, or to sit in his place, perchance, to determine that that legislature shall carry out a Federal function."

Remember, gentlemen, what I said before, that the power of the State to ratify an amendment to the Constitution, while as to the method of its exercising is a grant of constitutional power, yet it has by reason of its own reserved rights, the ultimate right to determine whether the compact into which it entered, shall be changed. I do not mean that it can in any way refuse to subject itself to the fifth article. That is not my meaning, but my meaning is that if every State of the Union were to assemble to-morrow and unanimously agree, without any action of Congress, that they would change the Constitution, they could change it by such unanimous consent. Who could object, if all agreed? The moment you call our Government a unitary State, and not a federated State, you have destroyed the dual form of government under which we live. The moment you say that the United States can dictate to or control a State legislature in the exercise of a reserved function, because this power of ratification is a reserved function, although restricted by Article V as to method, that moment you have struck down the last semblance of authority of the sovereign State, and you have destroyed its conscious pride of sovereignty and overthrown the essential nature of the Union.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. BECK. I yield.

Mr. SUMNERS of Texas. These State legislatures, of course, do not derive any power from the States, to ratify amendments proposed to the Constitution. Their power is derived, I believe, from the Constitution itself. Does the gentleman not think, as a matter of fact, under those circumstances, that the State legislatures function as agencies of the Federal organization, as distinguished from agencies of the people, from which people they have never received any authority to act for them? I am not asking that question in a critical sort of way, but I would appreciate it, if it would not interrupt the gentleman's line of thought, to have him discuss that particular aspect of the matter.

Mr. BECK. I would like to discuss it, but it draws me into the metaphysics of the question, and the framers of the

Constitution were simple, plain, practical men. James Madison once said that whatever the merits or demerits of the Constitution might be, it was the work of "plain, honest men," and posterity has so far vindicated it.

When they said "the legislature," they had in mind that the sovereign States, reserving all of their rights under the tenth amendment to their own ordered liberty, had legislatures as a method of expressing the will of the people. The Constitution gave them authority to ratify or refuse to ratify an amendment to the Constitution, but they would have had that authority if there had been no Article V, except that unanimous consent would have been necessary.

Mr. SUMNERS of Texas. Does not the gentleman believe it would have been just as effective if the power to ratify an amendment had been given to the governors of the States or members of the courts?

Mr. BECK. Yes; if the Constitution had so provided, but it did not. It said "legislatures" or "conventions."

Mr. LaGUARDIA. Will the gentleman yield?

Mr. BECK. I yield.

Mr. LaGUARDIA. I am sure the gentleman does not desire to leave unchallenged the statement which he just made. Perhaps I misunderstood it, but the gentleman said, as I understood, that the States could, on their own initiative, if they unanimously decided, without following the procedure outlined in the Constitution, amend the Constitution.

Mr. BECK. Yes.

Mr. LaGUARDIA. Does the gentleman believe that?

Mr. BECK. Yes. Of course, they could, just exactly as if a half dozen of us should make a compact and agree that no one could violate or add to that compact without the consent of all. Now, we might agree on a certain method of changing the compact; but if all of us agreed to change it we could do so—who could say then "nay"?

Mr. LaGUARDIA. Did not that question come up in the Constitutional Convention?

Mr. BECK. I beg the gentleman's pardon.

Mr. LaGUARDIA. Did not that question come up in the Constitutional Convention when the matter of the convention was discussed, that is, petitioning for a national convention? And they protected themselves against the arbitrary action of the States by requiring that it must be submitted to the States for ratification, in the manner then provided in Article V.

Mr. BECK. My friend may be right, but I do not think so, because all the States had to agree to any change in the Constitution, under the Articles of Confederation, which preceded the Constitution. If all the States said "We are not satisfied, we are going to change it," who is there to object? Who has any right under the provisions of the Constitution except the sovereign States that adopted it?

Mr. SIROVICH. Would it not still have to be in conformity with the rules and regulations of the Constitution, even if by unanimous consent?

Mr. BECK. Not if by unanimous consent. But now to return to my subject.

Mr. OLIVER of New York. Mr. Chairman, will the gentleman yield?

Mr. BECK. I yield.

Mr. OLIVER of New York. Is it not perfectly consistent with the gentleman's argument, with which I fully agree, that if the legislature performs a Federal function, according to that decision, that a convention, created by that same legislature, can perform that Federal function too; that is, ratify the constitutional amendment on behalf of the State? There is nothing inconsistent in that at all, yet I hear gentlemen say that the legislature which is created by the State can perform a Federal function, but that a convention created by the legislature can not perform a Federal function.

Mr. BECK. I take it if one is a Federal function the other must be. The only difference between the two is that in one case the legislature is existing and in the other the convention has to be called into existence.

I have, in a very inadequate way, tried to explain my views, and now I am coming to the point I want to suggest,

which has nothing to do with the construction of Article V, but has a great deal to do with the question as to whether the ultimate question may not some day confront Congress, whether Article V itself ought not to be amended according to the processes of the Constitution.

Now, Article V, as I said a little while ago, was deemed by those who framed the Constitution a most liberal method of amendment. Of course, to-day it is the most illiberal method of amendment, because it is obvious that 13 States, which combined may not have the population either of New York or Pennsylvania or Illinois, can block any constitutional reform, however important it may be.

No man of intellectual honesty can deny that to enable 13 States, with a combined population less than that of one State, to block the will of 35 States is a travesty on democracy. You can not reconcile it with any conception of popular rule.

The reason they adopted it and thought it was extremely liberal was this, and you must take into mind the conditions that then prevailed—there were 12 States that formed the convention. Those 12 States were grouped as follows: There were three populous States, three commanding States. One was Massachusetts, the second was Pennsylvania, and the third was Virginia. New York, it may seem strange to say, was neither a small State nor was it a big State. The Fathers could not look into the future, wise as they were. They realized that if Massachusetts desired an amendment, within its orbit of influence, moving as satellites, would be New Hampshire, Connecticut, and Rhode Island; that Pennsylvania had a commanding influence with Delaware and New Jersey, for they had originally been parts of Pennsylvania; and that Virginia could dominate, or at least largely influence, South Carolina and Georgia. Therefore, if any amendment were necessary, and they realized that amendments would be necessary, and nothing was clearer in their minds than that the Constitution would necessarily have to be changed, these three States would have such a commanding influence by reason of their greater population and their greater material interests and the influence they had upon what might be called the lesser States, that they could readily secure a constitutional amendment, and the 10 amendments were thus adopted with comparative ease.

Now, however, you have 48 States, and they never contemplated 48 States. Many of them, I say it with great respect, have almost artificial boundaries. I mean by that some are not States behind which is any great racial or historic tradition or defined by even natural geographical boundaries. They are more or less arbitrarily carved out of the vast territory west of the Alleghenies and ultimately west of the Mississippi. You, therefore, have the situation I have outlined, and this gives the importance to Mr. Palmer's argument. I repeat again, in all sincerity, he did a great service in challenging the attention of the country to this question, because the people of this country will inevitably be brought face to face with the question whether this Nation can continue to utilize Article V in view of the changed conditions in its present form.

In the next 25 years, with the tremendous repercussion of the greatest catastrophe in the world upon our institutions, as upon every other institution there must be, if this Constitution of ours is to correspond with the changes of our people and its economic necessities, great changes in the Constitution.

Do not think of the question in relation to the eighteenth amendment. Think of it in connection with changes that may be vital to the perpetuity of the Republic. Think of the proposition that some wise amendment may be proposed and be made necessary by the imperative force of events and 13 States can stop it, 13 States which might because of its influence upon them more than upon other States object to it. It is conceivable in the future, long after you and I who are gathered together may "like streaks of the morning cloud have faded into the infinite azure of the past" that the failure to secure a needed amendment may threaten the very perpetuity of the Union.

It may well be that the time may come when the Union will be endangered by the ability of one-tenth of the people of the United States to block and destroy any attempt toward constitutional reform. If we had not had so wise a Constitution, the situation would have been intolerable long since, but it may well be that in the critical days that are ahead of us Article V in its present form may prove a real menace to the future of the Nation.

I have been giving some thought to this, and simply as a "trial balloon" I want to read you an amendment to Article V that I hastily drafted to-day, which I may some day offer as a joint resolution. I do not do this with any idea of seriously pressing it at this session, but I do believe that the grave importance of the question would justify every Member of this Congress in considering the proposition that I am now about to advance.

I shall not trouble you by reading the merely formal part of any constitutional amendment, but it begins precisely as Article V.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield the gentleman 15 minutes additional.

Mr. MICHENER. The gentleman has consumed one hour. I therefore ask unanimous consent that the gentleman from Pennsylvania may proceed for 15 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BECK. This is my proposition:

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes as part of this Constitution.

So far I am following the language of Article V.

Now comes the change:

When ratified by the legislatures of more than one-half of the several States, or by conventions in more than one-half thereof, as the one or the other mode of ratification may be proposed by the Congress, if the States so ratifying have a population at least equal to three-fourths of the entire population of all the States according to the enumeration of the last preceding census.

Mr. MAY. Will the gentleman yield for a question?

Mr. BECK. Certainly.

Mr. MAY. I have listened with a great deal of interest to the splendid argument made by the gentleman and I have caught from his remarks all the way through that his speech is a defense of the independence of the States. Would not Article V, as proposed to be amended by the gentleman, tend to destroy in its entirety the freedom of all the States so far as amendments are concerned?

Mr. BECK. I do not see it so, because if three-fourths of the people of this country desire an amendment they ought to have it.

I remember speaking at a dinner in New York during the last campaign, at which Governor Smith and I were the speakers. Obviously it was not a political dinner. Governor Smith made the suggestion that a majority of the people of the United States ought to have the power to amend the Constitution. I could not agree to that, nor could I agree to the abolition of the States as the source of ratification; but I believe if a majority of the States think that any addition is necessary to the Constitution, and those States comprise three-fourths of the people of this country, then the will of the American people ought to be respected as declared by so largely a preponderating majority.

Mr. MAY. Then the question of ratification of the amendment under the gentleman's proposal would depend upon the amount of population rather than the number of States?

Mr. BECK. No; it has to be by a majority of the States. There are two clauses—first, a majority of the States must ratify, and then that majority must have three-fourths of the people of the country.

I have not destroyed ratification by the States. I have simply lessened the number of States that must ratify, provided they have a preponderating number of the people.

Mr. OLIVER of New York. Will the gentleman yield for another question?

Mr. BECK. I yield.

Mr. OLIVER of New York. I think the gentleman has got away from the proposition of the Federal Government creating the convention. May I suggest that if we do create conventions by action of Congress, then we will have to hire the polling places ourselves, through some executive officer, and we will have to hire election officials to conduct the elections, or else ask the State election officials to voluntarily act? And even with the Federal convention system, the State election officials, by refusing to volunteer, can have as great veto power on the creation of the convention as the legislature; in refusing to create the convention, they would have veto power on the adoption of the amendment.

Mr. BECK. Of course, it is possible for all the States to refuse to act at all, and, if course, failure to act is equivalent to a refusal to ratify, but there are limits beyond which government can not go. We must assume that the States, when an amendment is proposed to them, will, pursuant to the high duty imposed upon them by the Constitution, proceed by their own electoral machinery to create the convention.

Mr. CELLER. Will the gentleman yield?

Mr. BECK. Yes.

Mr. CELLER. I take it the gentleman concedes that ratification, whether it is by State legislatures or by the convention method, is a Federal function.

Mr. BECK. It is a Federal function, but that is a phrase. In other words, it is a constitutional function which in respect of that method of exercise has been created by the Constitution, but to call it a Federal function seems to imply that it is a function of the Central Government as contrasted with the constituent States. This, I do not acknowledge. In other words, a constitutional function can be the act of the States as well as the act of the Central Government, even though it is derived from the Constitution as a source.

Mr. CELLER. Is it not even stronger than that, and has not the contention that it is a Federal function real teeth in it? In the Hawke case, which is the Ohio case, the Federal authority, as stated in that opinion of the Supreme Court, had the right to prevent the State legislature from ratifying, together with the process of referendum.

Mr. BECK. Yes.

Mr. CELLER. In other words, even when the legislature process was used by Congress, the Constitution, indicating this was a Federal process, in so many words said that even if the State legislatures act, they could not saddle upon the situation the referendum and that, therefore, all the source of authority must come from Washington.

Mr. BECK. From the Constitution.

Mr. CELLER. From the Constitution and from Washington, too, I would say.

Mr. BECK. No; not from Washington. That is a very different proposition. When you say from Washington, that is where I dispute the accuracy of the phrase "Federal function," when it is interpreted to mean Federal agency. It is not a Federal agency at all; it is a power of a State, confirmed to it by the Constitution.

Mr. CELLER. But it is an act of the State in which the State is very well limited and circumscribed in what it may do.

Mr. BECK. Yes.

Mr. CELLER. For example, a State can not in its State constitution say that there can be no ratification by the legislature of a constitutional amendment until there has been an intervening election, so that the issue of the constitutional question might be raised among the voters of the States. The State authorities could not, even in the particular case, the name of which I do not recall, engraft upon the legislative process the fact that there had to be

an intervening election. Do not those limitations bring home the inescapable conclusion that when you use the phrase "Federal function," you limit and circumscribe the State and give most of the authority, if not all the authority, to Congress?

Mr. BECK. That is the whole question. I do not think so.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BECK. Yes.

Mr. SCHAFER. How would the gentleman's proposed amendment liberalize the ratification when you would still have a similar situation of 10 States with a total population less than that of the State of New York, having 20 Senators as against 2 Senators for the State of New York, and still, under the gentleman's proposition, you have to have the ratification of the amendment by two-thirds of the membership of the Senate?

Mr. BECK. I do not think I quite gather the gentleman's question. I do not seek to make any change in the method of proposal. I believe it ought to be two-thirds of the House and two-thirds of the Senate. As to the composition of the Senate, that is another and a very ancient controversy, and, of course, it is one as to which Article V makes any amendment impossible.

Mr. SCHAFER. In order to liberalize it, how could you provide for your basis of population regarding the submission when you have a situation where 10 little States with less population in total than the State of New York have 20 votes in the Senate with reference to submitting a proposal? You are not going to have a very liberal method of amending the Constitution when that situation exists.

Mr. BECK. Mr. Chairman, I want to thank the House for listening to me so attentively in a discussion of an abstruse question. I had no intention of trespassing so long upon your patience when I took the floor, but I have said what I did because of my love of the Constitution of the fathers and my strong belief that it ought to be, and let us hope that it still is, what the Supreme Court called it, an "indissoluble union of indestructible States." I can not imagine how the States could be more effectively destroyed than for the Federal Government to take from them the power to say whether the fundamental compact should be changed. [Applause.]

Mr. Chairman, under leave to extend my remarks in the RECORD, I include the following:

BRIEF—THE METHOD OF RATIFICATION OF CONSTITUTIONAL AMENDMENTS BY CONVENTIONS IN THE STATES, AND PARTICULARLY THE POWER AND DUTY OF THE CONGRESS TO CREATE SUCH CONVENTIONS WITHOUT ACTION BY STATE LEGISLATURES

#### INTRODUCTORY REMARKS

The 1932 platform of the Democratic Party, after declaring that a party platform is a covenant with the people to be faithfully kept by the party when intrusted with power, "solemnly promises by appropriate action to put into effect the \* \* \* repeal of the eighteenth amendment," and continues:

"To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

"We demand that the Federal Government exercise its power to enable the States to effectively protect themselves against importation of intoxicating liquors in violation of their laws.

"Pending repeal, we favor immediate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue \* \* \*"

It will thus be seen that the primary purpose of the Democratic Party with reference to prohibition is "repeal of the eighteenth amendment." The party's plan for modification of the Volstead Act is only a "stop-gap" measure pending repeal and is favored expressly as a method of securing "proper and needed revenue."

The Republican platform also favors the submission of an amendment repealing the eighteenth amendment.

In one respect these platforms are in practical accord, as both propose ratification by conventions instead of State legislatures. The Republican platform declares that the new amendment should be "promptly submitted to the States by Congress, to be acted upon by State conventions called for that sole purpose \* \* \* and adequately safeguarded so as to be truly representative," and the Democratic platform demands "that the Congress immediately

propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal." It will be observed that the Democratic platform follows the language of Article V of the Constitution when it proposes "conventions in the States"; while the Republican platform expresses the same purpose by declaring for "State conventions."

Article V of the Constitution provides:  
"The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress: \* \* \*"

With both parties committed by their platforms, as well as by the declarations of their presidential candidates to the submission of a repeal amendment in one form or another to conventions in the States, it is obvious that no matter how the election may have resulted, the submission of an amendment would have necessarily followed. Its form, however, was determined by the election. The enormous majority with which the people elected the Democratic ticket must be construed as a mandate from the people to put into effect "by appropriate action" the principles which that party advocated in its platform. This is not a direct mandate to the present Congress whose Members were elected before it was uttered, but the reasoning of President Lincoln in a similar situation applies with equal force to the present. In 1864 the proposal of a constitutional amendment outlawing slavery had failed of passage in the first session of the Congress, but after election, on December 4, 1864, Mr. Lincoln, in his message to the Congress, said:

"Hence there is only a question of time as to when the proposed amendment will go to the States for their action, and as it is to go at all events, may we not agree that the sooner the better? It is not claimed that the election has imposed a duty on Members to change their views or their votes any further than as an additional element to be considered—their judgment may be affected by it."

How the Congress should proceed to carry out this mandate is now the pressing question. If the Congress adopts the "stop-gap" measure pending repeal (modification of the Volstead Act), and such measure meets with Executive approval, a considerable revenue would become available to the Government. This result, however desirable, would fall far short of the chief purpose of both parties as stated in their platforms. Even accepting the highest estimate so far made of revenue resulting from the modification of the Volstead Act, it would not be sufficient to balance the Budget. Other taxes or drastic economies in Government operation would be necessary. Such other taxes would be an almost intolerable burden upon a people already suffering from overtaxation, and the far-reaching cuts in Government expenditures which would be necessary to balance the Budget will, it is generally admitted, be extremely difficult to secure in time to benefit the Government during the next fiscal year. Besides, a tax upon beer is a tax upon the workingman, its chief consumer. And thus the burden of sustaining the Government from this source of revenue would fall upon that class of the population least able to bear it, particularly in these times of widespread unemployment.

Therefore, both because repeal is the primary purpose of the people as expressed by their vote on November 3, and because the revenue which would result after repeal would be collected from liquors and wines as well as beer and thus result in the taxes being paid in larger part by those most able to bear them, it seems the obvious duty of the Congress to proceed rapidly toward the objective of both parties; and, if a constitutional method can be found, to take such action as will make available for the next fiscal year the enormous revenues—approaching two billions of dollars<sup>1</sup> annually—to be derived from a tax on all liquors.

Such a method is at hand.  
It seems to be generally assumed that it will take years to adopt any proposed amendment to the Constitution. This arises from the fact that ratification of amendments heretofore has frequently been long delayed because legislatures have been slow to act, and ratification by State legislatures has been the method uniformly

<sup>1</sup> Malvern Hall Tillitt, well known as a special writer on economic and social subjects for the New York Times, Herald Tribune, and Post, in his book *The Price of Prohibition* (Harcourt, Brace & Co.—1932) estimates (p. 41) the present annual national bootleg bill at \$4,414,390,520, more than two and one-half times the Nation's average annual drink bill in the years 1914-1916; and further estimates (p. 66), based on the preprohibition consumption in only 15 States and exclusive of receipts derivable from customs duties on imported wines and liquors and savings in enforcement costs, the possible revenues from this traffic at \$1,163,432,580—a sum approximately equal to the total Federal income taxes paid in 1930 and equivalent to three times the total Federal customs receipts in 1931.

Clark Warburton, Ph. D., in his book entitled "The Economic Results of Prohibition" (Columbia University Press—1932), the latest of a series of studies in history, economics, and public law, edited by the faculty of political science of that university, estimates (p. 253) that the internal-revenue taxes only, exclusive of any customs receipts on wines or liquors based on returns of \$4 per gallon on spirits and \$10 per barrel on beer, with corresponding rates on wine, would yield about \$1,250,000,000.

employed. But the proper use of the power to submit to conventions in the States, heretofore untried, will insure an early decision.

The Congress enjoys the power to submit the proposed repeal amendment to conventions in the States called and held in pursuance of congressional action and to require the vote of such conventions to be cast within any reasonable time—say, four months after the Congress adopts the necessary resolution—thereby making available, assuming the repeal amendment is ratified, these enormous revenues for the fiscal year beginning July 1, 1933. Such action, while unprecedented, would be plainly constitutional and responsive to the present national emergency. To the manner and means by which the Congress may effectuate these ends this memorandum is devoted.

#### THE POWER OF THE CONGRESS

Article V of the Constitution grants to the Congress a choice between two methods of ratification, (1) by legislatures of three-fourths of the States, or (2) by conventions in a like number of States. Nothing is said as to the manner in which the conventions shall be called, the delegates thereto elected and the like. Naturally as the convention mode of ratification has been indorsed by both major party platforms, legislators are now considering whether provisions to this end should be made by the Congress or referred to the several State legislatures. It is obvious that if the Congress enjoys the necessary power, uniformity of procedure in the several States can be assured only through its action. No precedent exists to aid as a guide as all amendments heretofore adopted have been referred for ratification to the State legislatures.

The resolutions introduced by Representatives Linthicum and Beck (H. J. Res. 208, 209) make no provision for the calling of the conventions or the selection of the delegates. They merely provide that the amendment proposed shall be valid "when ratified by conventions chosen for that purpose in the several States under the provisions of Article V of the Constitution." Apparently these resolutions contemplate that all necessary action for the calling of the conventions and the assembly of the delegates will be taken by the State legislatures. Even if this were proper, which is not free from serious doubt, other impelling reasons, such as the desire to secure uniform action in all of the States and the possibility that some of the legislatures could not act without long delay, while others might fail to take the necessary action, make it desirable to consider whether the Congress may or should provide in its resolution of submission all requirements for the calling and conduct of the conventions.

Such a consideration requires a review of certain fundamental principles.

The first of these is that the Constitution was established by the people acting as sovereigns of the whole country and that it is not a contract or treaty between the States. This principle has been established by a number of decisions of the Supreme Court of the United States, quotations from a few of which are as follows:

"The Constitution was ordained and established by the people of the United States for themselves, for their own government, and not for the government of the individual States." (*Barron v. Baltimore*, 7 Peters, 243, 247.)

"Here we see the people acting as sovereigns of the whole country and, in the language of sovereignty, establishing a constitution by which it was their will that the State governments should be bound, and to which the State constitutions should be made to conform." (*Chisholm v. Georgia*, 2 Dallas, 419, 471; 1 Curtis, 16, 60.)

"The Constitution of the United States was ordained and established, not by the States in their sovereign capacities, but emphatically, as the preamble of the Constitution declares, by 'the people of the United States.' There can be no doubt that it was competent to the people to invest the General Government with all the powers which they might deem proper and necessary; to extend or restrain these powers according to their good pleasure, and to give them a paramount and supreme authority." (*Martin v. Hunter's Lessee*, 1 Wheaton, 304, 324-325.)

It necessarily follows as a second principle that the States, as such, possess no general or implied power with reference to amendments to the Constitution. Clearly the States have no such power unless it was delegated to them by the Constitution itself, and no such delegation is found therein. The Constitution in Article V provides the exclusive method of amendment. The fact that the legislatures of the States are named therein as the recipients of certain power is not inconsistent with the view just expressed, because the legislatures when acting under the fifth article, act as the delegated agents of the people and not in their ordinary capacity as branches of the government of the States. The powers conferred upon the Congress and the legislatures by Article V are national political powers entirely outside the scope of the general legislative, executive, and judicial power conferred upon the United States and the similar powers reserved to the States. This has been established by decisions of the Supreme Court of the United States.

That court has declared that the action of the Congress in proposing and submitting an amendment is not legislative and does not require the approval of the President (*Hollingsworth v. Virginia*, 3 Dallas, 378), and likewise that ratification by a legislature of a State is not an act of legislation. (*Hawke v. Smith* (253 U. S. 221); *Leser v. Garnett* (258 U. S. 130).)

In the case of *Hawke v. Smith*, the question before the court was whether the action of the Legislature of the State of Ohio in ratifying the eighteenth amendment was invalid because not submitted to the referendum provided for by the State consti-

tution. The argument was made that the Constitution requires ratification by the legislative action of the States through the medium provided at the time of the proposed approval, and that, therefore, a provision in the constitution of the State of Ohio requiring the submission of a referendum to the electors of the question of ratification should be enforced. The Supreme Court, speaking through Mr. Justice Day, answered this argument in the following language:

"This argument is fallacious in this—ratification by a State of a constitutional amendment is not an act of legislation within the proper sense of the word" (p. 229).

This view was reiterated by the Supreme Court in a case involving the ratification of the nineteenth amendment, *Leser v. Garnett* (258 U. S. 130), wherein the court said (pp. 136-137):

"The second contention is that, in the constitutions of several of the 36 States named in the proclamation of the Secretary of State, there are provisions which render inoperative the alleged ratifications by their legislatures. The argument is that, by reason of these specific provisions, the legislatures were without power to ratify. But the function of a State legislature in ratifying a proposed amendment to the Federal Constitution, like the function of Congress in proposing the amendment, is a Federal function, derived from the Federal Constitution; and it transcends any limitations sought to be imposed by the people of a State." *Hawke v. Smith*, No. 1 (253 U. S. 221); *Hawke v. Smith*, No. 2 (253 U. S. 231); *National Prohibition Cases* (253 U. S. 350, 386).

The following language in the opinion of the Supreme Court in the recent case of *United States v. Sprague* (282 U. S. 716, 733-734) gives further support to the view that the power of the Congress in this respect is not legislative but is a political power conferred by the people:

"The tenth amendment provides:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

Appellees assert this language demonstrates that the people reserved to themselves powers over their own personal liberty, and that the legislatures are not competent to enlarge the powers of the Federal Government in that behalf. They deduce from this that the people never delegated to the Congress the unrestricted power of choosing the mode of ratification of a proposed amendment. But the argument is a complete non sequitur. The fifth article does not purport to delegate any governmental power to the United States, nor to withhold any from it. On the contrary, as pointed out in *Hawke v. Smith* (253 U. S. 221) that article is a grant of authority by the people to Congress, and not to the United States. It was submitted as part of the original draft of the Constitution to the people in conventions assembled. They deliberately made the grant of power to Congress in respect to the choice of the mode of ratification of amendments. Unless and until that article be changed by amendment, Congress must function as the delegated agent of the people in the choice of the method of ratification.

The tenth amendment was intended to confirm the understanding of the people at the time the Constitution was adopted, that powers not granted to the United States were reserved to the States or to the people. It added nothing to the instrument as originally ratified and has no limited and special operation, as is contended, upon the people's delegation by Article V of certain functions to the Congress.

The view of the Supreme Court that the fifth article does not delegate any governmental power to the United States applies with equal force to the States and their legislatures. In selecting the legislatures as the recipients of certain powers, with respect to amendment of the Constitution, the people merely adopted convenient existing agencies of government as their agents for the exercise of a particular political power.

From the foregoing it must be concluded that the fifth article does not contemplate that the States, acting in their sovereign capacities, shall have any influence or control over ratification. It contemplates only the expression of approval or disapproval by the people acting through representative assemblages, either the legislatures or conventions. No other power with respect to amendments was granted to the legislatures. As already seen, they have no general power of regulation over the process of ratification. If the Congress selects the convention mode, such conventions have identically the same power as the legislatures would enjoy had they been chosen. District Judge William Clark, in his exhaustive opinion in *U. S. v. Sprague* (44 Fed. (2d) 967, 975), aptly states that legislatures act as the general agents of the people and the conventions act as their special agents.

These decisions also demonstrate that ratification, whether by legislature or by convention, is not a State act; further, that the ratifying body does not act as an agent of the State, since if it did, the right of the State to command or forbid action by that agent under particular circumstances, could not be doubted. If the question whether a particular proposed amendment should or should not be ratified were a question for the State to decide, no one could deny its power to control that decision. The Supreme Court, in determining that ratification is beyond State control, has determined that the question is not for the State, but for the people in the State.

This determination necessarily includes a decision that the State, as such, has nothing to do with the process of ratification, since that process is held to be a Federal function and therefore one over which the State government can not in the nature of things have any power. If so, the State can not act in creating or maintaining the convention or in determining how it shall oper-

ate. This leaves an inevitable dilemma—either the Congress has the necessary power or no one has it. That section of the people of the United States who happen to reside in a particular State have, as such, no organization. The Constitution nevertheless empowers the Congress to call upon them to act by a convention. They can not act unless some authority determines how the convention shall be chosen and shall operate. The State can not make this determination without exercising the control which the Supreme Court has determined it could not exercise. The Congress can make the necessary regulations as a normal part of its task of procuring the decision of the question of ratification by convention. As a necessary part of the performance of this Federal function it can regulate and pay for the organization of the agencies which no other governmental body has power to set up.

Aside from the pertinent decisions, it seems clear upon principle that State legislatures should have no power or control over the conventions. The Congress has the unrestricted choice of two modes of ratification. The convention method is not a mere modification of the mode of ratification by legislatures. The two modes are entirely separate and distinct from each other. The selection of one is the rejection of the other. If the legislatures enjoy the power to prescribe the qualifications of the convention delegates, to supervise their selection and action in assembly, it necessarily follows that the legislatures could defeat the congressional reference to conventions through declining to act or by imposing conditions upon such conventions or their delegates as would reflect the views of the legislatures themselves. Such a theory would make the legislatures superior to the Constitution. It would render the Constitution inoperative. But the supremacy of any authority, acting in pursuance of power conferred by the Constitution, is not open to question. While no express power is delegated to the Congress to call conventions or provide for the assembly thereof, it has always been recognized that all powers necessary and proper for the execution of express powers are implied.

The Supreme Court of the United States has said that "that what is implied is as much a part of the instrument as what is expressed." *Ex parte Yarbrough*, 110 U. S. 651, 658. It has applied this principle to Article V by holding that the Congress, as an incident to its power to designate the mode of ratification, has the implied power to fix a reasonable period within which the legislatures must act. (*Dillon v. Gloss*, 256 U. S. 368.) It follows that having the express power to choose the convention method of ratification, the Congress has, by implication, all powers necessary and proper to make the exercise of its choice effective and to assure that its selected course will not be frustrated. This necessarily would include the enactment of all appropriate provisions to enable the organization of the conventions as representative assemblages, able and qualified to receive and vote upon the proposed amendment. The Constitution expressly grants such power. Article I, section 8, clause 18, provides:

"The Congress shall have power \* \* \* to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

The people did not delegate to the Congress, or any other body, power to elect their representatives to such conventions. The only way in which the people can select their representatives is by the right of suffrage. The right of suffrage has always been protected against force and fraud; and the time, place, and manner of its exercise, its supervision by sworn officers, and the certification of the result by public officers have always been prescribed by previous law. While these laws, in so far as they appertain to the election of Members of the Congress, have been enacted by the State legislatures, the Congress has the ultimate responsibility. Thus, section 4 of Article I of the Constitution provides in part:

"The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time, by law, make or alter such regulations, except as to the places of choosing Senators."

To reason that while the Congress may choose the convention mode of ratification, it enjoys no power to cause the convening thereof, would render worthless the original power. It must therefore enjoy power to prescribe by resolution the time and place for the assembly of delegates to conventions, as well as to safeguard the exercise of the people's right of suffrage. In the exercise of that power the Congress may provide for the number of delegates to each convention, and, after having prescribed the method of their nomination, adopt for election purposes the established machinery of the States for conducting elections, as well as the usual qualifications of electors in the several States; and for the assembly of the delegates at such time and place as may be fixed by the resolution.

Any other position seems plainly opposed to the obvious intent of the Constitution. That intent was to offer two distinct and different methods of ratification: One by the legislatures of the States, elected for many other purposes, the other by the people themselves through conventions, elected for that purpose only.

But how shall these conventions be called? How shall they be constituted? How many delegates or representatives shall they contain? When shall the conventions meet? How soon may they act? May they act by majority vote or is a greater proportion of those present necessary for action? On all these questions the Constitution is silent. Is it proper that questions like these shall be left for possible different determinations by the different legislatures of all the States, or shall the Congress under its implied powers prescribe the uniform action to be taken in all States?



For example, take the time element. In *Dillon v. Gloss* (256 U. S. 369) the Supreme Court squarely ruled that the Congress has the power to prescribe the time within which the States must act upon a proposed amendment. There it was argued that the eighteenth amendment was invalid because in the congressional resolution proposing that amendment it was provided that it should be inoperative unless ratified within seven years. It was argued that the Congress had not power to control what the legislatures of the States shall do in their deliberation and that any such attempt to limit voided the proposed amendment. The court brushed these arguments aside and held that though the Constitution contains no express provision upon the subject, it was, nevertheless, a fair inference or implication from Article V that the ratification must be within some reasonable time after the proposal which the Congress has the power to fix. The Supreme Court said (pp. 375-376):

"Of the power of Congress, keeping within reasonable limits, to fix a definite period for the ratification we entertain no doubt. As a rule the Constitution speaks in general terms, leaving Congress to deal with subsidiary matters of detail as the public interests and changing conditions may require; and Article V is no exception to the rule. Whether a definite period for ratification shall be fixed, so that all may know what it is and speculation on what is a reasonable time may be avoided, is, in our opinion, a matter of detail which Congress may determine as an incident of its power to designate the mode of ratification."

This authoritative pronouncement of the Supreme Court indicates that the Congress has the power, "keeping within reasonable limits," to prescribe the "details" involved in carrying out the general power granted to the Congress of directing how a proposed amendment be submitted for ratification by the people of the several States. If the Congress has the power to prescribe the time within which State legislatures must act on a proposed amendment, can there be any doubt that it has similar power to prescribe the time within which conventions in the several States must act on a proposed amendment whenever the Congress exercises its undoubted power and selects that mode of ratification? And subject to the limitation that such implied powers must be exercised "within reasonable limits," it seems clear that the Congress has power to prescribe the time when and the manner in which such conventions shall be chosen and shall function, and that such directions of Congress supersede and to that extent nullify all provisions in State statutes or State constitutions in conflict with the congressional fiat upon the subject. (*Hawke v. Smith*, 253 U. S. 221.) These matters are just as clearly "details" incident to the exercise of the power expressly granted to the Congress by Article V, viz, the power to direct that a proposed amendment shall be submitted to conventions in the States for ratification.

It has come to be generally accepted that the framers of the Constitution used no language without a definite purpose in mind. If they had intended that amendments should always be in the control of the legislatures, why did they provide for conventions at all? For it is obvious that the constitutional method of ratification by conventions could be entirely nullified by the legislatures of the States either by refusing to call the convention, by delaying action, or by legislation, which by a gerrymandering of districts, or otherwise, would make these conventions anything but "fairly representative" of popular will. The net result would be that only one method of ratification—that by the legislatures—would have been provided. It has been said "that the only restriction on the States is that the convention shall be fairly representative." There is no such language in the Constitution. It must be an inference arising out of the plain constitutional purpose to provide two distinct methods of ratification. Senator BINGHAM, of Connecticut, in his resolution offered during the last session of the Congress, having in mind the possibility of obstructive tactics on the part of the legislatures, provided that "conventions shall be composed in each State of delegates selected by a majority vote of the electors of the States." By thus requiring the election of delegates at large in all the States he hoped to prevent the legislatures from thwarting the will of the people by gerrymanders or other devices. There can be no doubt that the Congress has this power. But, if the Congress can restrict the action of States to "fairly representative" conventions, why can it not do everything it conceives to be necessary to the fair expression of the popular will, untrammelled by any obstructive tactics imposed by the action or inaction of the legislatures?

In the Constitution, every word must be given a meaning. Why did the framers of the Constitution say, "legislatures of" the States and "conventions in" the States? There is a vast difference between "of" and "in." "Of" denotes a possessive character, as "belonging to," "organized by" or "chosen for," and is much larger in its scope than "in" which refers to location and nothing else. The studied use of these two prepositions (entirely unnecessary if the Constitution had intended the whole procedure should be under the control of the regularly elected legislatures) plainly indicates a purpose that the two methods should be entirely distinct, neither dependent upon nor to be controlled by the other. The framers may have had in mind the very situation which is now generally (though mistakenly) believed to exist, that "ratification by State conventions obviously takes more time than ratification by State legislatures." It seems clear that the chief purpose of the framers of the Constitution was that the will of the people should be promptly determined and that it should not be thwarted by legislative bodies of the States. They took care of this possibility by retaining the power in the Congress to employ the convention system, the only con-

stitutional restriction upon the action of the Congress being that these conventions should be held in the several States.

Article V provides two distinct and different methods of ratification, either of which the Congress may adopt. One might be called the "slow" method, dependent for results entirely upon the action of the legislatures; the other the "quick" method, by which the Congress may put the matter directly up to the people to create conventions without intervention of the legislatures. What else could the framers of the Constitution have had in mind when they used the phrases "legislatures of" and "conventions in" the several States? It is conceivable that a situation might arise when the very existence of the Government might depend upon the immediate amendment of the Constitution. Under such circumstances must the Government make its own life dependent upon the will of the legislatures, elected by the people for other purposes, or can it submit the question directly to the people by whom and for whom the Constitution was written to create and preserve the Federal Government?

It will bear repetition that the amendment of the Constitution is a Federal function. It is not for the States, through their local governments, to say how it shall be done. In a case involving the method of ratification of the nineteenth amendment (*Leser v. Garnett*, 258 U. S. 130), Justice Brandeis said (p. 137):

"But the function of a State legislature in ratifying a proposed amendment to the Federal Constitution, like the function of Congress in proposing the amendment, is a Federal function, derived from the Federal Constitution; and it transcends any limitations sought to be imposed by the people of a State."

The framers of the Constitution were admittedly a far-sighted body of men. May they not have foreseen the time when an emergency would arise which might require very prompt action? May not that have been their reason for providing that the only restriction upon the convention system of ratification should be that they be held in the several States, leaving to the Congress full power to provide the means and methods which would insure prompt results?

Such an emergency now exists. The Government for several years has been spending more than it has received, until the mounting deficit constitutes a menace to the stability of the Government itself. If persisted in, one of two things must happen, either taxes must be enormously increased at a time when the people are already groaning beneath the burden of unprecedented taxation or the Government will reach a state of virtual insolvency. This situation calls for prompt action. Meanwhile here is an outlawed traffic in liquor, with billions for private profit and not one cent for the Government which it defies.

The solution lies in the repeal of the eighteenth amendment, which it is submitted may be promptly accomplished by action of the Congress to that end. Thus, as it clearly appears from the foregoing, the Congress may, whenever it so determines, pass a resolution proposing the repeal amendment; such resolution may direct that the proposed amendment be submitted to conventions in the States; it may provide that the amendment shall be inoperative unless acted upon by the conventions within a reasonable time which it may fix; it may prescribe how and when the delegates to the conventions may be nominated and elected; the date on which such conventions shall be held in the several States; the number of delegates required to make a quorum and the number of affirmative votes necessary to ratify the amendment submitted to such conventions and any other needful requirements.

As a matter of fact, if the Congress passes any other kinds of resolution—for example, a resolution directing the amendment be passed upon by conventions in the States to be called under the authority of State officers or the legislatures of the States—it will not only fail to meet the purpose of the two party platforms but it will disregard the obvious intent of the Constitution itself. If the Congress permits the State legislatures to determine all details required for the creation and conduct of the conventions in the States, it will ignore and fail to exercise the power which the people in the Constitution delegated to the Congress. By such action, as hereinbefore shown, the Congress would employ both methods of ratification—it would use both the legislatures of and conventions in the States. It is without power to do this, for the Constitution restricts the Congress "to one or the other mode."

Prompt repeal of the eighteenth amendment, followed by fair taxes on vinous, spirituous, and malt liquors will put the bootleggers' profits into the Federal Treasury. It will balance the Budget, secure the Government against the possibility of bankruptcy, and relieve the people of further additions to the already intolerable burden of taxation.

These conclusions are in nowise affected by the fact that the conventions in the original States which ratified the Constitution itself (before amendment) were called by the legislatures of the pre-Constitution era. That action was not taken pursuant to any governing instrument; and that course was followed as a practical and proper method at the time. The course selected was had pursuant to a resolution of the constitutional convention under which the president of the convention transmitted the Constitution to the Congress organized under the articles of confederation, stating, among other things, that it should be "submitted to a convention of delegates, chosen in each State by the people thereof, under the recommendation of its legislature, for their assent and ratification." That mode of procedure was adopted.

The Constitution provided in Article VII that the ratification of the conventions of nine States should suffice to establish the Constitution between the ratifying States. This ratification was

effected in the most practical way by a reference to the people themselves, through conventions, and hence does not compare with the problems involved in the construction of the provisions of the Constitution itself by which the people vested certain of their authority in the Congress.

It will be said that the details of setting up machinery for the election of delegates and the assembly of conventions are too complicated for the Congress to cover by resolution in such manner as to apply to 48 States. This criticism is a confession that the Constitution is not workable or that the Congress is incompetent to carry out its provisions. It is without merit.

It would, for example, be within the power of the Congress by its resolution to provide that the elections for delegates should be held in every State at the polling places and conducted by the election officers where and by whom the election of November 8, 1932, was conducted, with suitable provisions for filling vacancies. Objection had been made that if that were done, there might be election districts where the election officers would not serve, or States which would refuse to allow their election officers to serve. It is obvious that if such a situation should arise it would be only in a district or State strongly opposed to repeal and the result would simply be the failure of such a State to be counted in the final number ratifying. It would, at the worst, raise only the same situation as would be presented if the amendments were submitted to legislatures which refused to act. But if the joint resolution of the Congress, calling for an election and providing the details thereof, should be obeyed, as it would be, by any considerable number of citizens, a convention resulting from such an election, whether it be chosen by large vote or small, would be legally competent to pass upon the question of ratification. Therefore, States which might be bitterly opposed to ratification would nullify the act of Congress at the peril of the failure of the State to be counted according to the will of the majority in such State.

Such action on the part of the Congress could not be the subject of any legitimate criticism or resentment on the part of the States or their legislatures, as the matter at issue is solely a Federal function, governed by the Federal Constitution and upon which the people, through conventions (if the convention mode is chosen as now seems to be the universal desire) are solely empowered to vote.

The principles herein urged are fortified by a consideration of the only other pertinent language in Article V. That article provides another method of initiating amendments, which has not so far been resorted to: That the Congress on the application of two-thirds of the State legislatures "shall call a convention for proposing amendments," which, when so proposed, are subject to the two modes of ratification. It is clear that any such convention which the Congress would in such event be obliged to call would be a national convention, with appropriate representatives from the people of all of the States. And it is just as clear that the Congress would be obliged, in calling such a convention, to prescribe all essentials necessary for the nomination and election of the delegates thereto, and the time, place of meeting, and conduct of the convention. Thus, the framers of the Constitution clearly recognized that the Congress might be called upon to provide all details for setting up a constitutional convention. It is submitted that the Congress, for the reasons above set forth, enjoys a like authority and duty when it refers any proposed amendment for ratification to conventions in the States.

The Congress might, if it would, pass a repeal resolution immediately on convening on the first Monday of December next; this resolution might provide for every detail of the election of delegates and the operation of conventions in the several States. Such action would be unprecedented, but it would be plainly constitutional. It would be strictly in accord with the purpose of the Constitution for meeting a real emergency by a prompt amendment to the Constitution. The prohibition issue has been debated by the people for many years. They are ready to pronounce a verdict. The issue could be finally disposed of within four months after the Congress meets. If the people really want repeal—which the action of both major parties seems to indicate—they may and should have it at once.

It should be noted that in the foregoing it has been argued that should the convention mode of ratification be chosen by the Congress, the resolution to that end should contain all necessary provisions for the assembly and conduct of such conventions. This was so stated in order to simplify the argument. It is not intended to preclude the idea that the Congress may, if it so elects, first adopt a resolution designating the convention mode, and thereafter, by separate appropriate action, supply any such requirements as it deems essential.

Respectfully submitted.

A. MITCHELL PALMER.

NOVEMBER 30, 1932.

Mr. GREENWOOD. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. LaGuardia].

Mr. LaGuardia. Mr. Chairman, I know of no greater bulwark to the preservation of free government and human happiness than the utterance by Voltaire when he said in substance, "I may not agree with a word you use, but I shall give my life for your right to say it." It has been a peculiar situation that in the years I have served in this House I have become somewhat of a repository for all sorts of complaints, grievances, and protests that otherwise can

not find expression in this House. It has not always been pleasant, but I believe that in a free government such a function is not only necessary but useful.

We have had a very interesting discussion just now on constitutional technicalities.

There is not a Member of this House who would not lay down his life for the preservation of our constitutional government. But, gentlemen, political liberty is worthless without economic security. The economic conditions of the country to-day are paramount to every other question that may come before this House during this session. [Applause.]

We had a spectacle in the National Capital during the last few days that requires analyzing and some thought and consideration. It is symptomatic of conditions in this country.

We saw coming to the Capitol a protest march composed, it is said, of unemployed and hungry citizens. It received a great deal of publicity, nation-wide publicity, that I believe it would not have received had it not been for the extreme zeal of the police department acting under orders from some source that to date has not been revealed. Some one higher up apparently lost his head, became panicky, and undue and exaggerated police precautions were taken. The extent of the police activities surely was beyond the authority of any police department official.

The demonstration and the march itself it is true were under the auspices of communists. I say that because I asked their recognized leader if he was a communist, and he said that he was. The tactics, arrangements, and maneuvers indicate that it was under communistic guidance.

Here I pause to say that while I do not agree with their methods or with their political philosophy, it seems to me that the right to come to Washington and submit a petition to Congress should always be simplified.

The method of petitioning Congress has been somewhat confused in the popular interpretation of this right. I believe a great many confuse the appearance before committees of Congress with the right of addressing Congress at the time of filing a petition. Under the rules of the House and the Senate no one appears before it and the petitioning of Congress is limited to the physical delivery of a written petition and its reference to the proper committee. This rule, practice, and custom has been sanctioned by usage from the very beginning of our Government. It applies to all, and therefore there is no just ground for complaint on the part of any. The reception, however, of the petition should not be made difficult, and as long as any citizen, whether individually or in small or large groups, acts in an orderly manner there should be no obstacle placed in the way of a prompt and courteous reception of any petition or protest in accordance with the rules of this House.

We can not preach law and order if in trying to obtain law and order we violate the law. Any group of men and women have the right to come to Washington, and have a legal right to go to their rooms or hotels if they have rented quarters to go to. It is unlawful to arbitrarily detain any person without a proper commitment of a duly constituted judicial tribunal, unless the community is under martial law, duly and properly proclaimed. In the case of the unemployed "marchers," some one transgressed the law and improperly detained them.

The overzeal that I complain of was the so-called strategy which ordered the police department to trap and corral this group up on New York Avenue to a point boastfully described by the police department as a "strategic position," where they could not move, and where they could not obtain any sanitary accommodations or even protection from the elements. They could not go forward or even retreat, they could not go to the left or to the right. On one side there was a declivity and railroad tracks, and on the other side a hill where there were cordons of officers with tear gas, and squadrons of police so placed that they were hemmed in on both sides. No demonstration or disorderly act had been committed. It was, therefore, improper and unlawful to prevent any of this group, whether they were liked or not, whether they were welcome or unwelcome, access to lodgings which had already been contracted for or for which

they had money to rent. Such action must not be permitted to reoccur in the future.

These marchers were well provided with money to pay their expenses. Their rolling stock was in excellent condition. Their trucks were good, all of them under the care of experienced chauffeurs. They had a complete commissary department; they had, as I was informed, arranged for lodgings during their stay in Washington. It seems to me that as long as they would have kept within the law they should have been permitted to go to the lodgings they had hired, and when they brought their petition it should have been received the same as any other petition is received, and that would have been the end of it.

Instead of that, we saw a mobilization of the entire police department in the city of Washington, the fire department was taken from its regular duties and assigned to police duty, and all of these forces gathered around this misled and misguided army of 3,000 men and women who had come here for the sole purpose of making a demonstration. If they had been misled and misguided, many of them, they surely were convinced before they left Washington that society was arraigned against them, that there was discrimination against them, and that they were not accorded the equal protection of the law. The many little absurdities of the police department, I repeat, acting under orders from higher officials, such as retarding departure of the water-supply wagon, retarding access to an exit from the point where they were held, all helped in making these unfortunate men and women antisocial under the spur of agitators. It was all so unnecessary. In fact, it served the purpose of professional agitators far better than anything they could have staged themselves. They look for resistance of this kind. It gives them the basis for their approach and appeal and furnished the attraction for recruits to their cause.

Last year at this time about 1,200 hunger marchers came to Washington to petition their Government for relief to the Nation's unemployed and their families. They could not afford to travel by train or to stay at hotels. Their only form of petition consisted of a street parade with tattered banners and the appointment of small committees to present their plea to the executive and legislative heads of the Government.

They encountered a superintendent of police who recognized both their rights and their needs. General Glassford, in addition to a sympathetic understanding, had common sense and, what is more, he used it. They were treated fairly and humanely. They were assisted in obtaining shelter, food, and an auditorium in which to meet. Their leaders kept every agreement made with the chief of police at that time, General Pelham D. Glassford. Not an act of lawlessness or disorder marked their brief stay, and their bedraggled caravan left promptly at the time agreed upon.

As long as the marchers were on territory under the jurisdiction of the general there was no trouble. The contrast is striking.

Mr. Herbert Benjamin, the leader of the hunger marchers, protested to me yesterday afternoon, when I went with the gentleman from Minnesota [Mr. KVALE] to look things over, that he did not have a right to present his petition properly. I explained to him that all petitions were received, dropped into the basket, and referred to the proper committee. He said that he wanted the petition read to the House. I said I would ask unanimous consent to put it in the RECORD. I asked him for the petition. It was printed; he had a copy in his pocket. He showed it to me, but he would not give me a copy. So now, of course, he will continue his protest that he did not have the opportunity of getting his petition properly before Congress or having it read for the information of the Members. I asked him for a copy. He said he needed that copy. I told him to mail me a copy that night, and I would get it this morning and would endeavor to read it to-day in connection with these remarks I had planned to make. The petition quoted statistics—not their own, but statistics taken from various sources on unemployment; statistics taken from the Health Department of New York City, and data of

that nature, mostly accurate, giving the source of the information, and then it asked for unemployment insurance and asked for \$50 relief for each family during the winter.

The petition then made certain demands for immediate relief. I can not recall the details because I had the opportunity to glance at it only, and, if I remember correctly, it was a 3-page, single-spaced printed document. The demands that I read and remember were not unreasonable. It asked for immediate relief of all destitute families in the sum of \$50 a family for the winter, and \$10 for each dependent for the period of the winter. Surely that is not unreasonable. In New York City provision has already been made to care for families, and it will cost the city and the emergency unemployment relief committee more than that amount per family for the winter. There are hundreds of thousands of families throughout the country destitute.

I do not doubt that Mr. Benjamin would prefer to tell his followers that he was refused an opportunity to get the petition in the RECORD than to really have it read into the RECORD. That is the point I am trying to make.

We are going to have other protests come to the National Capital. There are some farmers here now, splendid American citizens, these farmers, who are seeking relief at the hands of Congress. My purpose in speaking to-day is to remind the House of the terrible conditions existing in our country. It so happens that I made a similar appeal on the first day of the first session of this Congress. We simply must give consideration to existing conditions. We can not shut our eyes to the unemployment, to the suffering, to the starvation that is going on in this country. We must take heed and do something about it. The unemployment situation is not going to be solved by a policeman's night stick. That is exactly the way it must not be handled. If the police or constituted authority give the radical element the opportunity of creating a situation, an atmosphere, a background, it will not be serving the best interests of this country, because it will give them the advertisement they are looking for and will give them the basis of continuing their nefarious activities.

Now, I say this with all due deference and respect: We listened yesterday to a message from the President of the United States, and there is not a single constructive, adequate suggestion therein contained, to meet the economic situation or provide immediate relief for the needy. The President says that the local communities are taking care of the needy. That is so. In my city it will cost the city of New York more than \$50 a family for the winter. The gentleman from New York, Doctor SROVICH, is here. He is familiar with conditions in our city, and he knows that unemployment relief will provide more than \$50 per family for the winter. So that the demand made even by communists in this instance was not exaggerated. But how long will local and private charity be able to continue? Then again we must do more than relieve; we must cure the existing evils.

The gentleman from New York [Mr. FISH] to-day referred to taking care of the needy by private charity, but that can not continue indefinitely, and charity, again, is not the solution of our economic evils. To-day we are talking about amending the Constitution. The gentleman from Pennsylvania [Mr. BECK] stated that there were not 48 States in the Union at the time the Constitution was drafted and adopted, and that they did not contemplate 48 States at that time. I may add that at the time the Constitution was adopted we did not have railroads, we did not have the telegraph, the radio, and aviation, and machine production and steam, and we did not have millions of people unemployed, without a ray of hope of getting employment, and unable to live up to the American standards. If our Constitution does not permit the Federal Government to take adequate measures to meet this new condition that has come upon us, then I say that if we can amend the Constitution for liquor we can amend the Constitution to guarantee economic security along with the blessings of liberty to the American people. [Applause.] I am going to recognize conditions as they are and I am going to talk frankly about

them. Even if to-morrow the stock ticker should jump, if to-morrow all prices of securities were to go up to a normal level, if you please, that still would not solve our unemployment situation. We would still have unemployment, because our machine production to-day is producing more than the people of this country would be able to buy if they had the money.

Mr. SIROVICH. Will the gentleman yield for a question?

Mr. LAGUARDIA. I yield.

Mr. SIROVICH. Has the gentleman a constructive program to give to this House that might bring happiness to the unemployed?

Mr. LAGUARDIA. Yes; I have given it many times. The farmers of this country, once the backbone of the Republic, are being foreclosed from the farms that have been in their families for generations, and a class of impoverished, peasant tenants is being created such as existed in the reign of the Czars of Russia.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. I yield; yes.

Mr. BLANTON. We are going farther along with Russia than that. The Federal land banks have foreclosed so many farmers that these banks are now leasing those farm lands themselves.

Mr. LAGUARDIA. That is what I call the tenant peasants.

Mr. ARENTZ. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. ARENTZ. We have a very intelligent man on the Democratic side of the House in charge of the Committee on Banking and Currency, and he can bring in a bill to-morrow which would declare a moratorium on all mortgages held by the Federal land banks and the joint stock land banks.

Mr. BLANTON. And, if my friend from New York will yield, I have had just such a bill before that committee for two sessions, and it was there in the session preceding this last one, and it had the favorable consideration of every Member, and your President sent his Treasury administration members there to oppose it and prevented that bill from being passed.

Mr. MOUSER. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. MOUSER. The gentleman has referred to the fact that if stocks would soar to-morrow it would not help unemployment or solve the question.

Certainly the man who toils is not responsible for the wild speculation of those who were trying to make something for nothing that helped to bring us into this depression. Why do you not carry that farther by saying that speculation, gambling, and dishonest peddling of securities precipitated the depression that came upon us?

Mr. LAGUARDIA. The gentleman is right.

Mr. STEVENSON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. STEVENSON. Apropos of what the gentleman on the other side of the aisle said a few moments ago, that the Banking and Currency Committee could report out a bill that would suspend foreclosures, I direct his attention to the fact that we wrote in the bill which provided \$125,000,000 for the land banks the provision that they should extend the loans of distressed farmers and give them five years in which to pay up the arrears and used \$25,000,000 of that sum to grant that relief, but the administration of the act under the leadership of his distinguished President has refused to extend any of them more than three months. I have not heard of one instance where it was extended more than three months.

Mr. BLANTON. They are foreclosing on all of them.

Mr. LAGUARDIA. The gentleman's committee did not go far enough, because I know the pressure under which that committee was working. As the gentleman from Texas says, farms are being foreclosed, notwithstanding. It did not go far enough because the first consideration, gentlemen, was for the bondholders of those banks, and the interest rate is too high. You are not going to get the farmers

of this country out of debt by loaning them more money at high rates of interest. What we need—let us be frank about it—is to bring money down to a reasonable value, so that existing mortgages may be replaced by mortgages at a humane rate of interest, which should not exceed 1½ per cent per year. I can imagine the howl of protests that statement will cause. The money sharks had better heed the times.

The gentleman from New York stressed the question of a program. All right, now, let us start. The first act of Congress should be to deal with the farm question. That may sound strange coming from a city Representative. The stock-ticker boys and the old-line politicians for years have been aligning the city industrial people against the farm folks. We must now realize we have a community of interest. We realize if we relieve the farm situation with immediate and adequate substantial relief it will at once reflect in the industrial centers. There is not a farmer in this country, I say, who has bought a suit of clothes within the last two years. I do not think that statement is exaggerated. There is not a farm family but what needs clothes and shoes, household effects, paint and repairs on their buildings, and machinery. The farmer must be helped; that would be the first ray of hope, and it would immediately increase that purchasing power that we hear so much about. That would cause employment in the cities. [Applause.] But nothing is done. So I say the first thing we should do is to take care now of the farm situation, and that will start something in the industrial centers.

Mr. KVALE. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. KVALE. The gentleman from New York has referred to the physical and visible effects of the economic situation. But will he not also include in his statement reference to the invisible losses that are being sustained due to the fact that so many tenants are replacing owners, and we are losing the permanent values of fertility of the soil, and all those things in addition to the physical and visible losses?

Mr. LAGUARDIA. Oh, the loss is irreparable.

Now, the next proposition is that we must adjust machinery to our lives and not attempt to adjust 126,000,000 human beings to machinery. [Applause.] If we know now the capacity production of our machine age, we simply must adjust labor conditions to that by fixing a uniform working condition throughout the United States.

We hear statements in messages of the 5-day week. We were told the furlough plan would bring about a 5-day week. It did not do any such thing. What the Government can do now to give impetus to this 5-day-week proposition is to put every Government department on a 5-day-week basis. Close post offices and customhouses and the Internal Revenue Bureau and the Treasury Department; close every department on Saturday and Sunday and that will force business and industry to follow and go on a 5-day week. The way to get a 5-day week is to do something about it. If the Government fails to do, the workers will do it themselves.

We must provide a national system of unemployment insurance. I do not see the distinguished gentleman from Pennsylvania [Mr. Beck] here. I am sure if he were here he would raise several constitutional objections to any such proposition. I repeat, we were not living in an industrial age when those constitutional limitations were written into the Constitution.

Somebody spoke about the dole on the floor of the House and said he was against the dole. Why, existing conditions and the measly "hand-outs" are a good deal worse than the dole. Mr. Chairman, what are we going to do when a man, through no fault of his own, is not able to find gainful employment in order to support his family?

We can not continue indefinitely leaving this innocent victim of a financial collapse, over which he had no control, at the mercy of private charity. The unemployed have rights. They have a God-given right to live, and a constitutional right to the pursuit of happiness. They must be provided suitable employment or adequate relief. We must also provide at this time the means to give the debtor class

of this country an opportunity to pay its debts in the same kind of money with which the debts were contracted. [Applause.]

Oh, I know there will be a great many in the House who will not agree with me on these propositions, but, gentlemen, we have arrived at the end. We are on the brink now. This condition can not continue indefinitely. There are twelve or thirteen million unemployed men and women in the country with two or three dependents on each one. You have an average of some thirty-six or forty million people dependent and in need. In addition to this, you have your farm population.

I hope the committee on agriculture will soon bring in a real bill for farm relief. I was criticized at home because I talked about farm relief. There was a time when they could scare city Members by saying that farm relief would increase commodity prices. That day is gone, and gone forever.

When commodity prices go up we will increase wages. It has got to be done. It has got to be courageously done. The cost of this depression is not going to be put on the backs of the working people.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. LA GUARDIA. Certainly.

Mr. SUMNERS of Texas. I want to express my very great appreciation of the sound observations which the gentleman from New York is now making. The gentleman is one Member from a city who has sense enough to know that if we city people are able to sell our stuff, the boys from the forks of the creek have got to get something for theirs. [Applause.]

Mr. LA GUARDIA. Thanks. I hope the real people of America have learned that lesson, I want to say to my distinguished chairman.

Three years of unemployment and still hope is expressed because a few tin-horn gamblers get around a stock ticker and artificially boost stocks up a couple of points. That is not the solution. I have said this a number of times and I shall continue to say it.

Mr. BLANTON. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. BLANTON. If the Government of the United States would discharge half of its 800,000 employees and send 400,000 of them home, and begin at the top and dismiss from the service the idle six, seven, eight, and nine thousand dollar chiefs, who before 1923 drew about \$1,400 each, and give some of their money to those who remain and let them work eight hours a day six days in the week, we would see conditions change for the better all over the United States.

Mr. LA GUARDIA. And how many would the gentleman fire?

Mr. BLANTON. I would fire at least half of our 800,000 employees and make the other half do twice as much work as they do now, and I would reduce the House membership to 300, and we would then have a better working body.

Mr. LA GUARDIA. The gentleman wants to increase the army of unemployed, while I am trying to decrease it.

Mr. BLANTON. You have got to do that by decreasing Government expenses; otherwise, why not let the Government employ half of the people of the United States and let the other half pay their salaries and support them?

Mr. LA GUARDIA. No. Nothing like that number could possibly be discharged. The gentleman is a very able legislator, and knows that no such number of Government employees could be discharged without destroying the Government. What I am going to say now I realize may get me into serious trouble in my city, but I mean it. They might as well understand now that the fiscal condition of this Government is such that regardless of what other new tax may be proposed it is the policy of the American Government that there will be no reduction in the income taxes now imposed by law. Let the people know that. All of this propaganda for new forms of taxes, all of this urge in favor of a sales tax, is to take off the income tax, particularly in the higher brackets.

Mr. BLANTON. And let it also be understood that we are going to go back to 2-cent postage and take the 2-cent tax

off of bank checks and stop this tax on electricity and so forth that all of the poor people now have to pay.

Mr. LA GUARDIA. And we should especially remember the way it was written into the law.

Mr. SOMERS of New York. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. SOMERS of New York. Does the gentleman agree with me that all the problems he has so graphically stated and described here could be solved by a rising commodity price level?

Mr. LA GUARDIA. Other things being equal, certainly.

Mr. SOMERS of New York. Naturally, they will be. Our problem to-day is to bring back our commodity price level and then all of the other problems which the gentleman has mentioned will disappear to a certain extent.

Mr. LA GUARDIA. To a certain extent; yes. It will help the debtor class, but let me say that we must bring wages up with it and at the same time.

Mr. SOMERS of New York. Will the gentleman tell me this: Does the gentleman know of any way you can elevate the commodity price level except by international action?

Mr. LA GUARDIA. The gentleman is an expert on that—

Mr. SOMERS of New York. No; I am not an expert on anything. I am just seeking to get the gentleman's opinion on that.

Mr. LA GUARDIA. We voted for the gentleman's resolution and that, of course, would help in our international trade.

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Chairman, I yield one additional minute to the gentleman from New York.

Mr. LA GUARDIA. I want to say this: There is nothing sacred or final or permanent in our present monetary system. We have seen that it gives an unfair advantage to those who now control wealth.

Mr. SOMERS of New York. I am glad the gentleman emphasizes that point, because I wanted to bring it out in the able discussion he is making.

Mr. LA GUARDIA. And I will join with others to adjust our monetary system in order to give the under dog at least a fair chance in competition with those who now own the country or all the wealth of the country. [Applause.]

Mr. GREENWOOD. Mr. Chairman, I yield one minute to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, I have asked for this minute to make an announcement and to extend an invitation.

During the last Congress there was organized a group of men seeking to do something constructive with reference to the economic problems of agriculture. This group proposes to meet to-night in the rooms of the Committee on the Judiciary. We feel that meeting there we can discuss these matters informally.

Mr. KELLER. At what time?

Mr. SUMNERS of Texas. Seven thirty. I would like to ask any gentleman who is able to come and who feels so disposed to attend the meeting to-night at 7.30 at the room of the Committee on the Judiciary.

Mr. GREENWOOD. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD of Georgia. Mr. Chairman, on the 4th of March next at high noon my 14 years' consecutive tenure of office as a Member of the Congress of the United States will terminate; my conscientious, faithful, resolute service to my people and my country will end only at the grave. Nothing that has ever happened, or ever can happen, will diminish in the least my deepest love for each and every man, woman, and child of my district. I owe a never-ending debt of gratitude to these noble people of whom I am greatly honored to be a part and parcel and whose every burden I would were a benediction. I am deeply grieved when I consider how frail I am and how few are the hours allotted me to grapple with the many, many problems of life or death to my people and Nation; and I am overwhelmed with a heart-rending sorrow and the deepest agony of mind when I realize that too few in Congress, and out,

seem to at all fathom the real fundamental causes of our great anguish as a people and nation.

Far, far too many who claim to be leaders feel that we are only passing through the valley of a slight depression, with illimitable mountains of happiness and prosperity only a few hours' journey ahead. They do not at all seem to have the faintest idea of the length, breadth, depth, and awfulness of the abyss into which we have fallen, nor the means by which we are to regain the glorious heights from which we were plunged.

I had hoped that out of all this agony and devastation there would come a new charter of human rights; that there would be a strengthening of the foundations of our Government; and that men, women, and children would be made much more secure in their rights of property, liberty, and life.

But unless there is an immediate awakening of our people and a shaking-off of the all-powerful grip of corporate greed, some of us may live to partly drag our broken bodies out of the shell holes of this awful economic cataclysm as we shall be bound with stronger shackles and plunged into deeper servitude than ever before, and the hand of national progress and of human liberties on the dial of eternity will have been turned far, far back instead of forward. The average private individual, the laboring man, and the farmer will have lost a decisive battle in their struggle for economic equality with capital and industry.

Those whose hands are dripping with the innocent blood of men, women, and children are concealing their guilt and directing the gaze of the public upon their victims—innocent men, women, and children—and shouting, "Thieves, thieves, there are the thieves!"

Those who have robbed the farmer by taking his produce without paying him a fair price are urging every other reason as the cause of the farmer's troubles except the real cause—lack of fair, honest prices for his products and excessive charges for the necessaries of life. And these same guilty enemies of honest men, women, and children are urging every imaginable makeshift plan and false palliative as a cure for the farmer's trouble and bitterly fighting every honest move to help the farmer and the laborer and the private individual get and keep a fair price for their toil and honest efforts. They are determined the laborer and the farmer and the private citizen shall not continue their battle for a living price for their labor and for the products of the farm and for a square deal in the economic scheme of the world.

The men who are doing the plundering are striving to lead those whom they have robbed of all their earthly possessions to feel that some of their real friends have caused their troubles; that the depression was caused by more or less minor agencies and that the whole awful situation will be cured by some slight adjustments of tariff rates, some insignificant change of a governmental policy, or some new wasp-like plan which is bigger in the eyes of the originator and a few me-too followers when first hatched than ever again in the eyes of themselves or anyone else.

Taxes, tariff rates, banking, transportation, immigration, currency, bureaus, commissions, and so forth and so on, present very, very vital problems; but to my mind none of these, nor all of these, are near so important to all our people as the question of economic liberty for the farmers and workers whose prosperity and happiness are the foundation of everybody's success and of our national greatness.

If I knew this was the last utterance I was to ever make on earth for the farmers and people of my Nation, I would declare with all my being that their every other problem sinks into insignificance as compared with the mighty task of protecting the farmers and the common run of men from those who claim to be their friends and yet who rob them both when they sell and when they buy and who mislead them at every opportunity.

Cost of government must be reduced, yes; but let us not forget the more important task of eliminating the enormous plunder of those who on every hand everywhere fleece the

farmer and the average citizen. Eliminate bureaus, of course; but let us not destroy every activity in behalf of the common people and then retain and strengthen the very agencies which are the executioners of those who toil.

Many come as wolves in sheep's clothing, crying, "Down with the cost of government!" "Take the Government out of business!" Many of these are fiends incarnate who want to cut down the cost of government only by the elimination of every governmental activity in behalf of the common people, while they fight for more numerous and more powerful bureaus and commissions in behalf of the speculators and profiteers.

They want the Government out of the business of helping the average citizen get a square deal but want the Government very much in the business of helping the monopolistic interest plunder and even destroy the properties, liberties, and very lives of the innocent men, women, and children of our country.

They favor every possible governmental activity—county, State, and Federal—to help the farmer produce more and yet more so he can become the victim of all the speculators, profiteers, and gamblers of all the earth; but they are strong against the Government's at all being in the business of protecting the farmer and his folks from those who wish to literally murder the farmer and his family by stealing the farmers' hard-earned cotton, tobacco, and other farm products.

Entirely too many want the Government in the business of helping them rob and plunder men, women, and children, but are frantically opposed to the Government's engaging in the business of protecting its citizens from the robberies of these malefactors of the human race. Such as these are thieves parading as honest men, profiteers in the guise of patriots, wolves in sheep's clothing.

Let us watch the line-up. Let us keep the issues clear. Let us not be misled by the strategy of our deadliest enemies. Let us fight with all our might, but let us be careful and let us not be misled into pouring volley after volley of deadly shot into the ranks of our own friends for whom we have pledged ourselves to take up the gage of battle and for whom we are battling unto death.

It matters not what else may happen; if this Nation is to endure, we must save the independent, God-loving man and woman of the farm and of the city who earn their living by honest toil.

Help these get relief from too heavy taxes; help the farmer get fair prices for his products; help the laborer get employment at good wages; place all of these on an equality with industry and capital, so they can not be robbed of their earnings, and then help all of these own a home, and the splendid sturdy citizenship thus preserved will solve aright all our other problems of local or national importance.

May the farmer and all his friends ever remember the real issues, and may these most vital problems yet be solved in time to bless the farmer and all peoples forever.

My service here has brought me the deepest disappointment and the greatest happiness—the deepest disappointment, because of the hitherto unsurmountable mountains of opposition to what I believed to be to the best interest of the people of my district and Nation; and the greatest happiness because of the consciousness on my part that I have always rendered to my people the very best service of which this poor mortal is capable.

I am, therefore, very happy over my 14 years' record as a Member of Congress. First, last, and all the time, to the very best of my ability, I have been the loyal Representative of the people of my district. Big newspapers and small ones, too, have fought me and threatened to destroy me politically; yes, but always because of the fight I was making for what I believed to be best for my people.

Big corporations have fought me; yes, but always because I was on the side of my people fighting corrupt corporate influence. Some men holding high political office do not like me politically because I did not hesitate to tell them of their deception and point out specifically wherein they were not

giving my farmers and my people a square deal. I am proud of such opposition, if it is the price I must pay because of loyalty to my people.

I am, indeed, happy when I realize that of thousands of votes I have cast, hundreds of speeches I have made, and scores of bills I have introduced, not a single one of those in or out of Congress who wish to do me political harm have ever criticized a single vote, speech, or bill as a whole. Of course, I remember three efforts to criticize portions of three of my bills. In each of these cases the portion criticized was either misquoted, distorted, or taken from the text of the bill and twisted so as to give it a meaning entirely different from the real purposes of the bill. First, this was done by those criticizing my bill for decent Sunday observance in the Nation's Capital. Second, my bill to provide for a contract system of controlling production and marketing so as to guarantee a fair price for cotton, tobacco, turpentine, and other farm products, of course, also came in for a storm of unfair criticism and misrepresentation.

The third and the unfairest criticism ever made, though, of any bill of mine, for years has been waged against my bill to help secure either free school books or school books and other educational equipment at greatly reduced prices, or at cost; to prevent motion pictures or radio service which tend to debauch and make criminals of our children and to give each community and each father and mother, so far as possible, the control and selection of the radio and motion-picture service or program which is shown or broadcast to their children. Instead of my trying to put the radio or motion picture in the churches or schools, I am trying to keep out of our schools, churches, homes, and communities, and out of the lives of our people, and especially out of the lives of our children, the filth and dirt of the radio and motion picture. I want these agencies to be made so clean as to be helpful to our boys and girls, rather than wreck their very moral and social being.

I am certainly not trying to put or extend, in the churches or schools or anywhere else, the radio or motion picture. I am only hoping to help make them decent so, regardless of where they operate, they will become agencies for the upbuilding of our people instead of the downfall of our children and Nation.

I am happy over the many dangerous measures I have helped to defeat and over the many good ones I have helped write into law. I am disappointed and deeply grieved over the bitterness which somehow gets into every legislative sweet, the poison which is in every remedy enacted into law, and the very death rattle of failure that is in practically every big legislative program passed by the Congress.

This bitterness, this poison, this death rattle of failure destroys the sweet, the remedy, and the very legislative program which our people seek, pray, and sacrifice for, and which they at first feel will become a benediction.

For instance, the regional banking system has its dangerous centralization of political and financial power; the Federal land-bank system has in it the very death rattle of destruction which now enables this system to become, as it now is, the destroyer of the farmer who organized it, financed it, brought it into being, and whom it was designed to help; the Farm Board act has failure written on its every page in that it contains no effective control of production and marketing; the Reconstruction Finance Corporation act is designed to help the very rich and the great corporation, with only small or incidental benefits to the common people, with the entire cost of the scheme to be borne by the whole people; and the home loan bank act gives only indirect aid to the home owner, at cost, and with red tape that makes its benefits beyond the reach of the average man or woman.

Of course, all these have other evils, have some good features, and all have at least a good name until the public becomes familiar with their actual operations and experiences, their ruinous effects and failures.

The awful crime of it all is that all these measures and other similar ones bear most wonderful titles, have most splendid declarations of policy in behalf of the laborer, the

farmer, and the average citizen, and are heralded as most wonderful pieces of legislation.

All these provide too much bureaucratic power without being worth the price. They destroy our liberties and enslave our people, doing real harm in many instances and rendering only indirect expensive help to the average citizen.

I have from time to time pointed out and sought to remedy these evils and am sad because these measures have not been perfected and made truly helpful to the common people. Help for the farmer, the worker, and the private citizen should be more direct. Legislation should be definite in its terms. So far as possible, Congress should express most fully its legislative will. Bureaucratic discretion is most dangerous and even now is undermining our very national existence. On every hand there are officials and bureaus vested with ample discretion to solve many of the problems of the common people, but those who are vested with this discretion too often exercise it in behalf of those who live by fleecing the worker, the farmer, and the average citizen.

I have always studied legislative proposals from the standpoint of the poor man. I have always studied farm-relief proposals from the standpoint of the small farmer coming into a small town to sell a few hundred pounds of tobacco or two or three bales of cotton, a few pounds of butter or sausage, or a few chickens and eggs. I have always fought for the relief of the individual citizen.

The Reconstruction Finance Corporation act, passed last spring, furnishes the best illustration of just what I have been saying. That act is designed to help the big corporations of the country, but yet the directors could make it very helpful to the small farmer and average individual. I sought to amend the bill so as to require this aid to the farmers and common people and shall continue to do everything I possibly can to bring about this result.

By original bills, by amendments, by speeches, and in every way possible, I have sought to end loan foreclosures and prevent tax sales during this awful depression. This could now be done under the law, but it has not been done; and I am determined, if humanly possible, to force an amendment through to make obligatory this relief from loan foreclosures and tax sales. My plan to stop these foreclosures, tax sales, and outrageous sacrifices of our people's property is simplicity itself. Require the Reconstruction Finance Corporation to buy up and hold until the depression is over all past due and future interest coupons and such tax fieri facias as may be absolutely necessary to stop foreclosures, prevent tax sales, and furnish actual necessary operating money for county and State purposes. This would keep our teachers paid up, our schools open, relieve and help everybody, stop the awful loss and the heart-rending agonies of tax advertisements and sales, and put an end to the orgy of loan foreclosures.

This should have been done when I fought so hard for it last January. It is a shameful failure in doing our duty to not have it done at once, and then undo so far as possible the awful wrongs that have been perpetrated during the last twelve months.

We are in the midst of the most awful depression of all times. The darkest book of the world's history is being written, and the blackest page of this book contains the foul record of the man or men who, actuated solely by love of money or desire for political power and with utter disregard for the suffering of their fellowmen, advise, seek to procure, aid, or abet the advertising and sale of properties for taxes or loan foreclosures, where such procedure is unnecessary, does no good, and should not take place.

No one should condemn and I certainly do not even remotely criticize anyone for doing his duty when to fail in the discharge of that duty would amount to a breach of an honorable faith reposed in him as an individual or as an official, but all just men must condemn to the fullest extent any effort to unjustly act within the law and yet criminally and cruelly betray and crucify suffering and dying men, women, and children for a few pieces of silver. Only the vilest of criminals take advantage of an awful catastrophe to rob the dead and the dying. The patriotic and the brave

in such an hour sacrifice their own property and their own lives to save others.

All the causes of the present depression can be enumerated with the one word—selfishness. Selfishness is causing the length and severity of the depression and is delaying and making almost, if not entirely, impossible the termination of the depression. Selfishness of the big interests and of their smaller satellites prevented so far any real legislation going to the root of our financial troubles. Every big measure during the present Congress has been a relief measure for the big interests at the expense of the very people that should have received relief. During all these months I have worked, pleaded, and prayed that relief be given the farmer and the worker rather than to those who are destroying our common people and our Nation. I have met failure on every hand and received hatred as my reward from the profiteer, the produce gambler, and the selfish interests but my conscience applauds my efforts, and my friends who have kept up with my efforts in behalf of my people gladly shout their approval. And the plaudits of "well done" of the children and the fathers and mothers, of the shops and farms of the Nation are heaven for me.

Nothing may be gained by my saying again what I have said so often during the last two years; but I will repeat again, the entire program and all the relief legislation should have been for direct help to the workers and the farmers. As it was, all was for the big interests and none for the average individual. The individual did get some indirect help—yes—but he should have got direct help with the indirect help going to those who exploit the individual citizen. No more money should have been voted to the Federal land banks except for the express purpose, and none other, of making new loans and buying up past-due and future-interest coupons and tax fieri facias so as to stop loan foreclosures and return lands already taken over so far as possible to original owners.

I said so at the time, and now, have the scars to show for what I got in return for this and other similar fights. I am proud, though, of such scars received in such battles for such a cause. I am glad I fought with all my might the unfair methods adopted by the Department of Agriculture in making the seed, feed, and fertilizer loans last winter and spring to my farmers. I condemn as outrageous and criminal any system which discriminates against my farmers and in favor of the big borrowers of the Nation. These seed, feed, and fertilizer loans were made this year under the Reconstruction Finance Corporation act, and it will make any honest friend of the farmer furious with indignation to observe the way the farmer was treated last winter and spring and the way the big corporations were treated at the same time.

The fact is the Reconstruction Finance Corporation should not have been authorized to loan a single penny of its money unless such loan was a direct benefit to labor or to the farmer. As I have repeatedly pointed out, this was absolutely true under the War Finance Corporation act. It will be remembered that I did everything I could to get this act amended so as to buy up future and past-due interest coupons and pay taxes so as to stop loan foreclosures; but I was up against a stone wall, and failure was inevitable.

I urged with all my might before the home loan bank act was passed that it was dangerous and would not be truly helpful to many, if any, home owners. Like most other so-called efforts to help the average citizen, this act seeks, through a ponderous, unnecessary, expensive bureau or board, to do indirectly, at enormous cost, with too much red tape, what should be done directly, at little or no cost. I very much fear it may even later become an agency of destruction, wrecking home owners as the Federal land banks are now wrecking the farmers of the Nation.

The first and greatest duty of last session of Congress was to stop loan foreclosures, return taken-over lands to the farmers, and save for the average citizen a place of abode for himself and family. This duty was not discharged at the last session. It is now our first and paramount duty.

Will we discharge it like men, or will we remain traitors to those who have trusted us with this solemn responsibility?

Mr. Chairman, I feel that surely some real legislation for the masses of the people will be enacted in the immediate future. Now, is the accepted time. I am very anxious for the Reconstruction Finance Corporation act to be amended so as to become a great blessing to many who are losing their homes by tax sales and foreclosures.

On the first day of this session I introduced a bill to amend the Reconstruction Finance Corporation act so as to grant relief to those of our country who are about to lose their property by tax sales and also to keep our schools open, pay our teachers, and furnish reasonable amounts of money for operating expenses of our various city, county, and State governments.

Knowing personally the splendid, honorable men who are now actually in charge of the Reconstruction Finance Corporation, I am sure they will welcome an amendment similar to mine and would be glad to render this real service in this broader field directly to the very people who now are so much in need of help. I shall do everything I can to secure the passage of my bill. Its passage would be worth more as immediate relief to the taxpayers of moderate means than anything else Congress has done or can do.

Under my plan the taxpayer could, for the asking, get his taxes, arising during the depression, largely carried over for 10 or more years with only small annual payments, by the Reconstruction Finance Corporation loaning money on the tax fieri facias to the city, State, or county for actual operating expenses.

Of course, if taxes were piled up each year the amount due by the property owner later would become very burdensome. But we must not forget that taxes of the home owner, and of everybody else for that matter, must be reduced. My plan to get what amounts to a moratorium on the payment of taxes, of course, is only a plan for temporary relief, with the hope that a real relief plan or plans will be put into effect at the earliest possible moment, putting the farmer and everybody else in much better shape than they are at this time.

Again and again, every day and almost every hour, my mind grapples with the unemployment problem, the so-called overproduction or farm-relief problem, and the tax question—all so essential to the return of permanent prosperity—and always my mind comes to certain definite conclusions as to certain remedies which I am convinced will at least largely solve some of these problems.

At the earliest possible moment both temporary and permanent relief measures must be enacted.

Let me first suggest what, to my mind, is the most necessary temporary relief measure that could possibly be enacted for the farmers and all ad valorem taxpayers at this time. I repeat, stop the orgy of loan foreclosures and sale of property for taxes by amending the War Finance Corporation act so as to authorize and require the refinancing of past-due loans by the purchase of interest coupons—with original lender to carry principal of loan—where necessary to prevent foreclosure, and by the making of loans in connection with and secured by tax liens on real estate wherever necessary, so as to stop tax sales and yet furnish necessary funds for municipal, county, and State purposes. In this way direct relief would be given to both the lender and the borrower, both the taxpayer and the tax gatherer. Up to the present the relief has been to the lender but not the small distressed borrower, to the gatherer of taxes but not to the taxpayer whose land is being advertised and sold for taxes. Relief has been given to the Federal land banks and other loan concerns, but the orgy of loan foreclosures has proceeded with unabated fury.

Loans made for these purposes would help millions of people directly, would give relief to corporations, municipalities, counties, and States, and would be much better secured than loans now being made by the Reconstruction Finance Corporation.



Many cities are now seeking loans to construct so-called self-liquidating projects which the city should not now undertake to build, which furnishes insufficient security, which gives very little relief to anyone, and which in the end will put an unnecessary tax burden on a struggling community or entail a loss to the United States Government.

Now, let me make a few observations concerning the all-important subject of farm relief. Along with temporary relief for the farmers should come a permanent relief program. Of this class of relief, among many, I favor two specific propositions: First, an amendment to the Federal Constitution giving the head of each family a reasonable amount of personal and real property free of all taxes, and, second, a contract system of controlling production and marketing of basic farm products so as to control the selling price within reasonable limits. This contract system is set out in detail in my bill now pending for the establishment of this system of farm relief and has been repeatedly discussed by me before various committees of the House and Senate and on the floor of the House.

The people have a right to demand and are demanding legislation that will directly help the individual. They want this kind of temporary relief. The farmers want this kind of a farm-relief program. Practically all our so-called relief legislation so far has provided direct relief to the big interest at direct cost and expense to the individual citizen. Congress at last session instead of helping and relieving the poor man greatly added to his already unbearable burden. I fought with all my might to secure real relief for the poor man and to prevent his being further burdened with additional taxes and other charges for the direct benefit of those who now own too much of the Nation's wealth.

I am not unmindful of aid given, and now being given, by the Government to the suffering in the way of flour and clothing. I introduced the bill to furnish this clothing and to provide for the purchase of vegetables and other food products directly from the farmers for the purpose of feeding the suffering of our country. This would also be direct aid to our farmers. I regret that only a part of my bill became law.

It is criminally wrong to tax my farmers to raise money to buy food and then buy the food from some one else after several profits have been made on it rather than help the farmer by direct purchase from him. Before I forget it, I wish to refer to the foreign-debt moratorium and several other matters in which I was not, and am not now and never will be, in accord with the action taken by Congress at the last session.

I have always been bitterly opposed to the cancellation of the foreign debts. I was opposed to and voted against the foreign-debt moratorium granted last Congress.

I spoke against and voted against the indefensible increase of first-class postage from 2 to 3 cents. I have always believed that the Federal Government should not invade the States and levy taxes on gasoline, electrical energy, cosmetics, cool drinks, candies, and so forth and so on. We should leave to the States these sources of revenue so that ad valorem taxes of the home owner and the poor man can be reduced, and I hope ultimately be made entirely unnecessary and forever eliminated.

For these and other reasons I voted last session against every such item in the tax bill, and then voted against the entire bill. These reasons have always impelled me to oppose and vote against a Federal general sales tax.

All these taxes are direct burdens on the individual citizen who either owns a home or hopes to own one. At this of all times we should be helping the taxpayer, the individual citizen, and the small home owner.

The people are sorely in need of general legislation with a specific or personal application. All the medicine of all the earth is valueless to a suffering man unless sufficient doses of it are specifically and personally applied to him. All the relief legislation that Congress ever has passed or ever will pass is an empty mockery to the man whose home is being advertised for sale for taxes or under a loan foreclosure unless there is personally and specifically made avail-

able to the particular home owner an effective means to save his home. Just as the lawyer specifically and personally represents his client so should we specifically and personally represent each and every one of our people who are now so much in need. Just as a lawyer can not honestly represent both sides of a case, so a Member of Congress who represents a district made up entirely of farmers and those whose prosperity is directly dependent upon the farmer can not truly represent the farmer and also represent the big interests which exist by fleecing or destroying the farmers. Those who attempt to do this always fight for laws with concrete direct benefits to the big interest, and either with only slight indirect benefits to the farmer or entirely at the expense of the farmer. The farmers, the workers, and the average citizen need direct, specific help, and need it now.

The home owner who has lost his home by foreclosure needs a sufficient specific personal means of recapturing his home right now. The man or woman whose home is advertised for taxes or under foreclosure needs personal, specific help, and needs that help now.

Many months ago I began a fight to secure this relief, and I say here and now Congress was derelict in its duty or this help would have been granted long before this time. Every day adds new horrors to this awful orgy of tax sales and loan foreclosures. It is nothing short of criminal indifference for us to fail to do our duty and do it now in these matters.

Time and again, by bills, amendments, and speeches, I have proposed plans to solve these questions in a way fair to and best for all concerned. Of course, along with emergency relief legislation we should pass legislation to prevent the recurrence of another such panic and to fill our Nation with happy, contented home owners.

Again I say, the proposals for permanent relief should provide direct, personal, specific relief for the whole people. Farm legislation not of this type is a delusion and a snare, and this is true of all such legislation.

Relief that goes into the poor man's place of abode, goes to his fireside and to his table, is the relief that will restore prosperity and happiness throughout our land; none other will.

All other proposals are only the ashes of failure and the bitterness of despair unless we save the homes of the sturdy men who toil on the farm, in the shop and the store, and everywhere, and enable them through proper legislation to keep and maintain their families in these homes.

The most awful tragedies of the present depression are the loss of the homes of our people and the suffering of innocent children and their fathers and mothers. Let us apply our relief efforts to saving the homes of our people and we will be proceeding in the right direction. We will solve forever our present problems only as we succeed in saving, establishing, and maintaining for every family the greatest blessing on earth—a happy home.

Let us act the part of patriots and not the part of profligates, profiteers, or politicians. Let us save the present homes of the worker and the farmer, and let us enable those who have no homes to acquire them and keep them.

Such as these have saved our Nation. Let us help them now and make them happy and prosperous forever, and this Government of the people, for the people, and by the people shall not perish from the earth.

Mr. Chairman, it is well for us not to forget the great danger that is always present in the enactment of legislation without due deliberation and after the most thorough investigation. In a legislative stampede during the present depression there is most serious danger of the enactment of legislation of the most vicious type. During times like these Members of Congress are more easily stampeded into voting for some measure, apparently popular—whether rightfully so or not—without due regard to the most vicious kind of provisions which are often designedly written into such measures by those who would not dare offer the proposal as an independent or separate bill. The thin sugar coat of popular clamor too oft makes palatable to an unsuspecting Member of Congress the most deadly legislative poison.

An outstanding example of the very danger I am discussing is to be found in the effort on the first day of this session of Congress to stampede Members into changing the Federal Constitution without due deliberation, without reasonable discussion, and without the rank and file of the Members realizing the real result sought by the resolution upon which they were forced to act.

Good men—I believe contrary to their convictions—either without knowing fully the real effect of their votes or because of the urge of the stampede, voted to prevent either the people of the several States or their duly elected Representatives here being allowed a chance to be heard, or to be fully informed, or to vote after full consideration on the proposed change of the fundamental law of our country.

Members of Congress from Southern States, which are most jealous of the rights of the States, voted to deprive the States and the members of the legislatures of the various States and the people of these States, of the Nation, their old prerogative of ratifying amendments to the Federal Constitution and to authorize and to substitute therefor the invasion of the States by the use of the strong arm of the Federal Government in the States, manipulating, controlling, and dominating a steam-roller convention system of determining the fundamental rights of our people of the respective States.

I can not see how anyone—wet or dry—who loves State rights and holds dear the sacred rights of the people to control their own affairs at the ballot box could possibly vote for the repeal resolution which came up last Monday.

Stampedes in legislation are never safe; and the gag rule and steam-roller tactics always force stampedes or are the agencies of stampedes, preventing free and full discussion, fair consideration, and honorable handling and consideration of important problems by the people or their chosen representatives.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and to include in connection therewith the language of a bill introduced by me on the first day of this session to amend the Reconstruction Finance Corporation act by providing for loans to cities, counties, and States secured by tax fieri facias, tax executions, and other tax liens, and for other purposes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia? The Chair hears none, and it is so ordered.

Mr. LANKFORD of Georgia. Mr. Chairman, the bill just mentioned by me is as follows:

A bill to amend the Reconstruction Finance Corporation act by providing for loans to cities, counties, and States secured by tax fieri facias, tax executions, and other tax liens, and for other purposes

*Be it enacted, etc.,* That section 201, subsection (a), as amended by the act of July 21, 1932, be further amended by adding a new paragraph to be known as paragraph (6) and to read as follows:

"(6) To any city, county, or State, or any agency or corporation authorized to act and acting for such city, county, or State with authority of law under which and whereby tax fieri facias, tax executions, tax liens, and/or lands sold for taxes can be pledged, hypothecated, transferred and/or sold to the Reconstruction Finance Corporation, by such city, county, State agency, or corporation: *Provided*, That the Reconstruction Finance Corporation as a part and parcel of any such loan transaction shall require the city, county, State agency, or corporation to grant to the taxpayers owing said taxes or whose land has been sold for taxes, such extensions, arrangement for monthly, quarterly, or yearly payments, and other leniencies of collection as may be reasonable, just, equitable, and possible as the result of and because of the loan."

Mr. Chairman and gentlemen of the committee, this is the bill mentioned by me earlier in my remarks, and which I sincerely trust may be enacted into law at the earliest possible moment.

Mr. GREENWOOD. Mr. Chairman, I yield to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman, to-day I am introducing a resolution which authorizes the distribution of 500,000 bales of cotton owned by the Government through the

American National Red Cross and other organizations for the relief of the distress of the needy millions of American citizens.

I am doing this for various reasons, which I expect to set forth; and I ask unanimous consent that I may extend my remarks in the RECORD so that Members may realize the merits of the resolution and necessity of its passage during this session of Congress. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. FULMER. Mr. Chairman, in June, 1932, I introduced in the first session of the Seventy-second Congress House Joint Resolution No. 418, which passed both Houses of Congress and was signed by the President, authorizing the distribution of 40,000,000 bushels of wheat and 500,000 bales of cotton through the American National Red Cross. My resolution of June, 1932, called for 1,000,000 bales of cotton, but the Agricultural Committee of the House saw fit to reduce the same to 500,000 bales.

Many members of the House committee, even from the South, absolutely refused to go along with me on this resolution when first introduced, but later voted for the same, and to-day it is generally understood not only by these Members but Members who voted against the passage of the resolution, as well as the people at large, that this resolution, as a relief measure, came more nearly hitting the spot than any relief bill passed during the last session of Congress.

My friends, I have every reason to believe that we have millions of American citizens in this, the richest Nation in the world, actually suffering and filling untimely graves because of the actual need of food, clothing, and bedding. This is my first and major reason for introducing this resolution.

In the second place, we still have under the control of the Federal Farm Board this amount of cotton, worth to-day about 6 cents per pound, which storage and interest is eating up the value thereof.

In the next place, I realize that perhaps this will cover the actual number of bales of cotton under the control of the Federal Government, but we have a sufficient surplus of cotton in addition to this in the hands of the cooperatives, cotton mills, farmers, and speculators to supply the demand for actual cotton for the next two years without producing a single additional bale of cotton next year.

It was stated at the time of the passage of my resolution during the last session of Congress that its passage would interfere with the sale of cotton goods by merchants to the consuming public, and no doubt you will hear this argument again. This may be true in the distribution of flour, because if bread is not distributed by the Government to the starving, hungry millions, the Red Cross and other organizations, as well as individuals, will purchase bread and food and give to these hungry people, but in the case of clothing people do not have to have clothing to live. The time was when men and women lived in caves and dirt huts, covering their bodies with the furs of wild animals. In other words, while the unemployed and needy have no money with which to buy, the various organizations will buy and furnish food, but because of the serious economic condition of 95 per cent of the American people these organizations are unable to secure funds from the people even to buy the food, let alone clothing and bedding.

In the past years, in the midst of normal prosperity men and women gave of their means, and were able and did distribute old clothing; but this is not true now. What I am trying to get over to you, my friends, is if we do not do the needful at this time in the way of distributing this cloth and clothing these millions will have to shiver from the wet and the cold for many months because they have not the wherewith to buy. If this is true, surely the distribution of this much-needed clothing and bedding, as will be shown

by a statement issued by Judge Payne, chairman of the American Red Cross, which I expect to include in my remarks, will not interfere with the sale of cotton goods.

Listen to this:

CHAIRMAN OF THE AMERICAN NATIONAL RED CROSS,  
Washington, D. C.

MY DEAR JUDGE PAYNE: Ellore Unit, Orangeburg County (S. C.) Chapter, American Red Cross, finds itself in a most deplorable condition. The area covers about 12 miles and is composed of an agricultural people. They are in the most serious condition owing to the very short crop and prices so low as to be insufficient to enable them to buy food and clothing. Five hundred families, averaging six to the family, filed applications for cloth. Since the close of the time limit an additional hundred families or more (six to the family) have applied for cloth. We have investigated all of our requests and believe the statements concerning conditions are true. Our allotment of cloth was about 2,400 yards—for this amount we are truly grateful—but we feel helpless in this our extremity. Our allotment of overall jackets is only six. I beg you in all sincerity to hear our plea and grant us more of the Government supplies.

If children are not clothed they can not attend school, and as a result of the lack of proper food and clothing tuberculosis will be scattered over the land.

Please let us hear from you, as we can not meet conditions here and must have help.

This comes from just one 12-mile section which at one time was a most prosperous section of my own county and State.

I want to call your attention to this in connection with this letter to Judge Payne, that this request comes from the wide open fields of the South where we have sunshine and mild winters. What about the snow-covered and ice-bound States in the North, and the large industrial centers of the United States?

I am quoting now from a letter just received from Hon. John Barton Payne, chairman of the National Red Cross, which should prove interesting, especially to those of you who are blessed with plenty of this world's goods and who do not know just what is being done by the Red Cross, and the great distressing need for additional cloth, clothing, and bedding:

We have just been discussing quite an interesting question—whether under the joint resolution we may supply bed clothing. There is a very strong demand for bed clothing, especially in the colder sections of the country; not so much demand from the South. Bed clothing is not specifically mentioned in the joint resolution, and I have been in such doubt about it that we have so far refrained from complying with the requests.

We have actually either distributed or made contracts for the purchase, which are now being filled, as follows:

Cloth which has gone largely to chapters to be made up by volunteers (yards).....	48,760,048½
Finished garments (dozens).....	1,113,794
The estimated value of the cloth and garments.....	\$6,646,087.36

In addition to this commitments have been made, or are now under consideration, committing the remainder of the 500,000 bales. The purchase and distribution of this may require as much as two months.

We have had to be a little careful toward the end for fear we may commit more than we actually possess. This depends somewhat upon the fluctuation of the price. I have instructed our officers dealing with the subject of the cotton to proceed on the basis of 5 cents, so that we may hope to be reasonably within the limit. Our hope is that it will be at least that price or a little more, so that we may get out in the clear. If it should drop below 5 cents we beg of you to give us a little more cotton with which to pay out.

The cotton has rendered a great service; the wheat also. We have disposed of 6,279,814 barrels of flour and 223,902 tons of food for livestock as of November 29. We have employed 788 flour mills and have committed some 55,000,000 bushels of wheat. We hope the 30,000,000 remaining bushels will carry us through the winter.

I especially call your attention to the following statement contained in Judge Payne's letter:

The demand increases rather than diminishes, and we could certainly use quite a good deal more.

My friends, what are you going to do about it? Let American citizens suffer for clothing and bedding, while the Government is holding cotton that is being consumed daily on account of the storage and interest charges—in the meantime causing thousands of cotton farmers to be added to the unemployment list on account of depressed prices, brought about by the holding of this surplus cotton?

I quote further from Judge Payne's letter:

Commitments have been made or are now under consideration [December 5] committing the remainder of the 500,000 bales.

What is 1,000,000 bales of cotton, when you think about furnishing just common, plain work clothes and bedding to 15,000,000 unemployed people and their children, who have been actually buying from hand to mouth for the past several years?

Some of us speak of this depression as having existed for two years. This depression has been with millions of people for the past 10 years, and during that period well-to-do farmers, wage earners, and even business people have absolutely been brought to actual want.

My friends, if you are interested in humanity, American citizens who are naked and hungry by no fault of their own, and the proper functioning of the American National Red Cross, in the way of saving the lives of these American citizens, let us get behind this resolution and bring about its speedy passage.

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield 30 minutes to the gentleman from Ohio [Mr. MOUSER].

Mr. MOUSER. Mr. Chairman and my colleagues, on last Monday afternoon, after the announcement in the newspapers as to what we were going to do, uttered by the distinguished Speaker of this House in reference to adopting the repeal plank of the Democratic platform in an unusual and unprecedented endeavor to enforce upon this Congress, without opportunity for debate, I am glad to say that the proposal of the distinguished Speaker, which was presented by the distinguished majority leader, proposing a naked repeal of the eighteenth amendment without any substitute, which would mean the inevitable return of the open saloon, was defeated.

I read in the newspapers following the defeat of the unprecedented resolution that 71 of us, known as lame ducks, did not vote to carry out the will of the American people.

It is very strange to me that the Hearst newspapers, controlled by William Randolph Hearst, which supported so zealously the candidacy of the distinguished Speaker for President of the United States, and it was Hearst who, during the Democratic convention, formed a deal with William G. McAdoo whereby the delegations of the States of Texas and California were switched to make the nomination of Roosevelt possible, should not also say that 69 lame ducks voted for the naked repeal amendment as proposed by our Speaker, the next Vice President.

Oh, they can argue to us that under the old State rights doctrine that the repeal of the eighteenth amendment, without any substitute in its place, will not result in bringing back the saloon.

Let us see about that. Most Members of Congress know how the people lived in the days before prohibition under the conditions of the open saloon. Members of this body have some sympathy and understanding with their people and the way they live or they would not have been elected by popular majorities. Anyone with horse sense knows that the only reason bootleggers do not sell liquor openly is because they are afraid they will get caught. Take away the enforcement and the bootleggers will spring up like mushrooms, and you must regulate them by licensing them to curb their activities, and that means the saloon.

I want to say that the people in my section of the country are not in favor of the open saloon. They are not in favor of the old saloon where a man with his weekly pay went into a saloon with the expectation of taking a drink, and then, after taking one drink, pays for another for the other fellow, and pretty soon his weekly pay is dissipated, causing suffering and neglect to his wife and his children.

Mr. SCHAFER rose.

Mr. MOUSER. I can not be interrupted now. And if they did not spend all their money, they were rolled by some crook for the rest of it. There was gambling in connection with saloons, and usually lewd women. That was the open saloon. I am not a fanatic on the liquor question. I do not believe a fanatic converts anybody. My definition of a fanatic is a person who has a single-track mind, who

can not listen to argument, and therefore influences no one in reference to the particular position he may espouse.

Let us see what has happened since this election. Much to my great surprise, I saw distinguished men of the great Democratic Party come down into the well of the House and say to us, when they were urging the repeal resolution as proposed by the distinguished Speaker through the distinguished majority leader, that the last election was not decided upon economic questions; that it was decided upon the fact that the people wanted booze. The debates here, the arguments made and the statements made, are a matter of record, if a Member of this body cares to put into the RECORD what he has said upon the floor. Such statements live after Members of this body are lame ducks. It is not so long since I sat back there as a new Member, without much to say but with both ears open. I heard distinguished spokesmen of the Democratic Party tell me that we were going to be defeated, as we were—and they were good prophets—because of the economic conditions. First we hear after the victory that Mayor Cermak, of Chicago, advises the boys to turn on the beer, if the newspaper dispatches are to be believed. I thought he was elected because of too many Al Capones. I read in the paper also that the mayor of New Orleans said, "Boys, the people have spoken; you can turn on the beer."

I read further in the newspapers that the Governor of California says that he is going to grant amnesty to a thousand or more liquor prisoners who are in the workhouses and other penal institutions for misdemeanors in that great State. If this crowd in California do not sell liquor, they will sell dope. Such a crowd does not want to work at honest toil.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MOUSER. Not now; but I shall yield later. I have spoken about the gentleman's city and its mayor, and I shall be glad to yield to the gentleman later. I hope the statement was not quoted accurately in respect to the Governor of California. Has the time come, because of the state of the public mind, because of men's being out of work, that we are going to turn America over to the underworld, to the gangster? What happens to your argument that you want the eighteenth amendment modified or repealed in order to do away with the gangster, the racketeer, and the bootlegger? Then I read further that certain so-called statesmen in our neighboring country to the north, in Canada, have said that they are going to disregard the treaty whereby they forbid their distillers from transporting liquor across the border. What is the purpose of that? They think that beer is coming before Christmas. The newspapers have so indicated to the people, some of whom are very thirsty. They can almost see the suds and smell the odor and taste the beer. That means that if we give them beer the hard-liquor drinker who wants liquor is going to buy Canadian liquor, and hundreds of millions of dollars of the people's money of this country will go to Canada.

I ask you men who are sincere on both sides of this House, who are thinking about the time when men will go back to work and suffering and privation will end in this fair land of ours, whether or not you think that the spending of hundreds of millions of dollars in Canada for hard liquor pending the time of the people's voting upon the repeal amendment, is going to bring prosperity back to America? The answer is no, and no thinking person, unless he is letting his appetite control his brain or thinking about being elected in a wet district, regardless of consequences to the country, can fail to know that that is not going to assist in the return of normal economic conditions in this country.

My friends, 15 States have nullified their enforcement laws. There is no danger now of being caught in bootlegging activities by the State enforcement officers. You do not have to sneak in the back door; you just walk in. They have their bars set up, and you buy liquor unlicensed, and you who are decrying the bootlegger and the racketeer and the corruption that was brought about as you say by the writing of the eighteenth amendment into the Constitution, what do you say now, pending the submission and the action

on the part of three-fourths of the States, as to what shall occur in America as to respect for law and order? I say to you, my friends, that this contempt for law is a most dangerous tendency that is facing us to-day. Then we are going to solve the question of balancing the Budget, we are going to get money into the Treasury by taxing beer 3 cents a pint, as proposed by a certain distinguished gentleman of this body. There are 24 pints in a case. Three times 24, according to my arithmetic, makes 72 cents tax on a case of beer.

In Ohio the fellow who swings a pick and uses a shovel to make his daily bread, if he is lucky enough to have a job, is making the great sum of from \$1.25 to \$1.50 a day. If he works on the highway eight hours a day, he gets 40 cents an hour or \$3.20 for his labor. Most laboring men have gotten the habit by exercising a God-given right that has been theirs, no matter how humble their means, of having a family and enjoying the home life and the association of the wife and children before the fireside. The last census showed the average American family to consist of between four to five people.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. MOUSER. In a moment. Is that going to give the poor man beer? How in the world is a man making \$1.25 or \$1.50 or even \$3.20 a day, with a wife and four or five kids to support, going to be able to pay 72 cents' tax on a case of beer?

I say to the distinguished gentleman from New York, who is sincere in what he advocates, that he is misled, because they will keep on making their home brew, and it will just be like the extra cent on postage and the check tax. The people will not pay such nuisance taxes, and the anticipated revenue will evaporate.

Mr. O'CONNOR. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. O'CONNOR. The tax would amount to 54 cents a case, because those are 12-ounce bottles.

Mr. MOUSER. Yes; and I am coming to the 2.75 per cent by weight in just a moment.

Mr. O'CONNOR. I mean it would not be 72 cents.

Mr. MOUSER. I am glad to be corrected by the gentleman from New York as to the 12-ounce bottles. I hope there is no sleeper in that. How is a man who is making \$1.25 or \$1.50 a day, I ask the distinguished gentleman from New York, going to pay to his Government a 54-cent tax on a case of beer? If beer is inevitable, I want the poor man to enjoy it as well as the rich.

Mr. O'CONNOR. He does not drink a case a day, I hope.

Mr. MOUSER. Well, if he drinks a case a week or a case in two weeks, he can not afford the tax without neglecting his family.

Mr. BLANTON. I will answer the gentleman from New York, if my colleague will yield.

Mr. MOUSER. I yield to the gentleman from Texas.

Mr. BLANTON. If he is a beer drinker he will pay the tax and he will pay for the beer and his wife and children will go without bread.

Mr. MOUSER. It is more important, in my humble judgment, that the woman who washes and irons and who takes care of the children shall be properly clothed and the little ones brought into this world shall be properly fed than to have all the booze in the world. [Applause.]

Mr. SCHAFER. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. SCHAFER. The gentleman should not be unduly worried because some of the Members condemn the lame-duck Republicans for voting against the resolution offered by the gentleman from Illinois [Mr. RAINY], because the Republican platform reserved to the individual Members the right to determine whether they should vote wet or dry, and if there is any condemnation, by the press or otherwise, for the failure of the repeal amendment to have passed this House, the condemnation lies fairly and squarely in the Democratic ranks, because the Democratic platform pledged its Members of Congress to vote for the repeal of the eight-

eenth amendment, and many times the additional votes necessary to have passed that resolution were cast against it on the Democratic side.

Mr. MOUSER. I think the Democratic Party made a mistake in the liquor plan contained in its platform. I do not think there is any question that if a naked repeal resolution is submitted to the people to be ratified by delegates elected to a convention—which action is pledged by the Democratic platform—and economic questions are left out of the decision of the voters, and that if such a proposition goes to the people on the question of the saloon, you will ever get three-quarters of the States to ratify it, and the Democratic Party is simply kidding the people who want something to drink.

Mr. BLANTON. You will not find rubber stamps among the Democrats.

Mr. MOUSER. I have nothing but kindly regard for my Democratic colleagues, with whom I have served, but I agree with the distinguished gentleman, William C. Fitts, from Birmingham, Ala., who took his place upon the floor of the recent Democratic National Convention when the repeal plank was before the convention and not only pleaded but warned his party to then see the error of its way before it was too late. He was a great orator and a man of good common sense.

Now, Mr. Chairman, there is a sleeper in this beer proposal. It is to be 2.75 per cent beer by weight, but it actually is 3.46 beer by volume. That is practically the old beer. I do not profess to be a great constitutional lawyer nor even a middle-class one, but I think there are some good common-sense notions that might be injected into an argument about the constitutionality of an act, and I would like any constitutional lawyer to say, if 3.46 per cent beer by volume is passed by this Congress or the next one, changing the Volstead law as proposed, the Supreme Court of the United States, even though they be amenable to changing conditions and changing methods of living and try to adjust their decisions to the times, would say that it was not the intention of the people to drive out intoxicating beer the same as liquor when the eighteenth amendment was adopted.

I understand that courts take judicial notice of the fact that hard liquor is intoxicating. You do not have to prove it; but there is not anyone here who remembers the old days of the saloon, or who was in college when the saloons were here, who does not remember that the college boy, at least, in trying to drink a glass of beer in every saloon in a couple of blocks, was drunk at the end of his trip. There is not any question about it. Now, should we kid the American people? If it be true that during the last election there was no economic question in the election, and the overwhelming vote given the Democrats was based solely upon the question that the people wanted the eighteenth amendment repealed and wanted beer, then should not we lame ducks, if we are not fanatics, try to vote for something that will carry out the will of the people rather than to be kidding them? I remember one distinguished Senator from Ohio was elected upon a beer platform, and I mean no reflection. He is a great statesman. He wanted a change and the people elected him on it. After his election there were statements in the press that the breweries were going to open, and the people, in their imagination, almost smelled the odor of beer, and as they carried their imagination on they could almost taste it, but all the people got in two years was near beer, and not the 3.46 per cent beer by volume or the preprohibition beer as they expected.

There is only one way to proceed, and that is to proceed in a manner that is sincere by incorporating in the proposed amendment an absolute guarantee against the saloon, if you want an amendment that will be ratified by three-quarters of the States, because on the question of naked repeal, even though the last generation of young folks who were boys and girls when liquor went out, know nothing about it and do not appreciate the evils of the old saloon the old folks do know, and some of them will tell the youngsters how to

vote. I say to you that in the Middle Western States or the far Western States, and in the State of California and other wine-producing States unless you put wine in the bill, and even in the South, the people will never vote for naked repeal and the saloon. It is very strange that the Democratic platform only refers to beer. I wonder why that platform did not contain something with reference to wine?

Why should not the grape growers of California have wine at the same time the others have beer, if it is constitutional? I hope to see the Ways and Means Committee—for at least I think they are smart—put in a wine provision the same as beer when the beer proposal reaches the floor, so that we can have an out-and-out vote upon it.

It has already been announced in the papers, if he is quoted correctly by Mr. Hearst, that the distinguished Speaker of this House predicts we will pass a beer bill. He was erroneous in his conclusion about the naked repeal. It may be that he will get a majority here to vote for beer if California and other wine-producing States can be pacified by including a provision as to wine. But he should not intimate to the people that they are going to get beer before Christmas, because it can not be unless it is bootlegged or home brewed.

Mr. SCHAFER. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. SCHAFER. Why does he not insure additional votes on his beer bill by including whisky, and thus get the votes of Pennsylvania?

Mr. MOUSER. I am not going to vote for the beer bill for the reasons outlined in this address.

Mr. SCHAFER. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. SCHAFER. Mr. McAdoo, the former Secretary of the Treasury, who led the forces of prohibition fanaticism to the destruction of the Madison Square Garden convention, I notice has now reached the conclusion that he was wrong in that and that wine of 12 or 14 per cent under the eighteenth amendment is all right.

Mr. MOUSER. The distinguished gentleman knows more about the inside workings of the Democratic Party at the convention of 1924 than I do. I do not know what the reverberations were that actuated them in taking so many ballots. In my judgment, it is probable that there were two distinguished Democrats running who had the convention firmly divided and, therefore, it took a long time to end the battle. That is beside the question.

Now, Mr. Chairman, another argument that dry people should take into consideration is that if the law as it is is to be nullified, if bootleggers are going to run rampant, and racketeering is to go on more than ever before, if all law enforcement is taken away, as the distinguished mayor of Chicago says it will be, then the quicker a reasonable proposition is submitted to the people the better. In desperation it is suggested that appropriations be taken away from the enforcement of the dry law pending repeal. How can any sincere wet who argues that the reason he wants a change is because he wants to do away with the bootlegger, the racketeer, and the gangster, and the corrupt judges argue that we should nullify the constitutional provision which is not self-executory, the eighteenth amendment, by taking away appropriations for enforcement pending the seven years, or whatever time it takes, while naked repeal is being submitted to constitutional conventions? Are you going to turn America over more than ever, if their argument is correct, to that kind of corruption, graft, and bootlegging and racketeering? Why, a lot of crying occurs about the poor slain gangsters! I do not believe in the taking of human life, but I know those folks who kill among themselves for the sake of a dollar, a dirty dollar, will have to answer to their Almighty hereafter. As long as they keep their killing among themselves I am not crying about them. Maybe we will not have to deport so many of them; maybe it will be an object lesson to us, and we will not let so many of them in. If strict immigration laws will not keep them out, then let us patrol the borders so that they can not get in

by airplane, bootlegging, or other methods. We do not hear anything about that practice. But, Mr. Chairman, the quicker America selects the people who are to become its citizens from amongst those who will adapt themselves to our way of living, the better off we are going to be in this fair land of ours.

Now, you say what should be submitted? I for one believe that prohibition has helped the rural communities in America. I do not see drunks staggering down the streets in the villages of this country. Why, not so long ago in my district a couple of young boys about 18 or 19 got drunk. The youngsters in the neighborhood followed them as they were staggering down the street. They went in and asked their mother what was the matter with them. The mother did not tell them the cause of their peculiar actions. Pretty soon all of the youngsters in the neighborhood had gathered, and they followed them down the streets like the circus coming to town. The kids in the neighborhood gathered to see the strange apparition of those faulty-gaited boys as if the first airplane had come to town.

[Here the gavel fell.]

Mr. MOUSER. Mr. Chairman, I ask for 10 additional minutes.

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. MOUSER. Finally, some one in that neighborhood went to the place where they had gone to sleep it off, and they were taken to jail. Then you tell me that in rural America it is not better without the saloon. Well, you just wait until these rural Americans vote upon a naked repeal proposition and you will find out whether they think it is better than the saloon. If you nullify enforcement, if you who in your hearts want the saloon, but will not admit it publicly—if you want the swinging doors and the brass rail and the back bar and the system of treating, you had better submit something, forgetting selfish interests that want the saloon, that may have some chance to be ratified by the people in their thinking moments, when they are listening to debate upon that one question, with respect to whether or not a particular man shall be elected to a constitutional convention who is for that or against it.

I leave these suggestions with you as simply a humble Member of this House, but I have rubbed elbows all my life with men. I have been in the humble homes of the country. I have seen the drunk. I have seen the woman bending over the washtub in order that her little ones might be shod and clad and have a loaf of bread. I want to say to you that it is against human nature to ever permit that kind of thing, because it is the misled women now who are talking about being in favor of naked repeal and in favor of the saloon, and they will certainly have their mother instincts again aroused when they see the terrible catastrophe of the saloon days in an automobile age. They will be reconverted and there will be no poor women among the women who call themselves the crusaders. I do not believe there are any of them in it now. These other women have always had all the wine and liquor they want, and all the jewels. Why do they not let the poor women have peace and happiness in their homes and around their firesides, as they have the right to expect under God-given laws, as well as man-made laws. [Applause.]

I thank you for your attention.

Mr. GREENWOOD. 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. HANCOCK of North Carolina reported that the committee, having had under consideration the President's message, had come to no resolution thereon.

#### EXTENSION OF REMARKS

Mr. BECK. Mr. Speaker, this afternoon I had the privilege of addressing the Committee of the Whole House on the state of the Union on the subject of the powers of Congress in respect of conventions, if ever held, and my speech was a reply, or an intended reply, to the very able brief

that has been circulated in the House by the former distinguished Attorney General of the United States, Mr. A. Mitchell Palmer.

I am rising to ask unanimous consent that his brief may be printed in the CONGRESSIONAL RECORD, so that the House may have both sides of a very interesting question before them.

Mr. MICHENER. Mr. Speaker, reserving the right to object, and I shall not object, but I do not want this to become a precedent for the inclusion in the CONGRESSIONAL RECORD of briefs by private individuals or interests representing matters before the Congress. The reason for this is so they may not be sent out under the Congressional frank.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### HEARINGS ON MORATORIUM ON FOREIGN DEBTS

Mr. STEVENSON. Mr. Speaker, I call up a privileged resolution.

The SPEAKER. The gentleman from South Carolina offers a resolution, which the Clerk will report.

The Clerk read as follows:

#### House Concurrent Resolution 40

*Resolved by the House of Representatives (the Senate concurring), That in accordance with paragraph 3 of section 2 of the printing act, approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, empowered to have printed 1,000 additional copies of the hearings held before said committee during the Seventy-second Congress, first session, on House Joint Resolution 123, relating to moratorium on foreign debts.*

The concurrent resolution was agreed to.

#### TERMS OF PRESIDENT, VICE PRESIDENT, AND MEMBERS OF CONGRESS

The SPEAKER laid before the House the following communication:

STATE OF WEST VIRGINIA,  
EXECUTIVE DEPARTMENT,  
Charleston, December 6, 1932.

MY DEAR SIR: Carrying out the direction of our State legislature, there is sent you herewith an authentic copy of House Joint Resolution No. 2, adopted by the Legislature of West Virginia in extraordinary session on the 30th day of July, 1932, attested by the clerk of the State senate and by the clerk of the house of delegates, ratifying the lame duck amendment to the Federal Constitution.

Very truly yours,

WM. G. CONLEY, Governor.

To the Hon. JOHN N. GARNER,  
Speaker of the House of Representatives,  
Washington, D. C.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Is it the understanding of the Speaker that a proposed constitutional amendment can be ratified at anything but a regular session of a State legislature?

The SPEAKER. The Chair does not think that is a parliamentary inquiry.

That is a constitutional question, perhaps, for the Secretary of State. This is only a matter that is sent to the House for its information.

Mr. BLANTON. I would like for my question to go into the RECORD merely to call the attention of the Secretary of State to the fact that this ratification was passed at a special session.

The SPEAKER. We may hope that the Secretary of State reads the RECORD now and then.

#### ADDRESS OF HON. HATTON W. SUMNERS, OF TEXAS

Mr. BROWNING. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the very able address made by Hon. HATTON W. SUMNERS, our chairman of the Judiciary Committee of the House, before the American Bar Association in Washington, D. C., on October 14 last.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BROWNING. Mr. Speaker, under leave granted me by the House, I wish to insert the following very able address:

#### ARE WE OBSERVING THE NATURAL LAWS THAT GOVERN GOVERNMENTS?

This is a very pertinent, practical question to ask ourselves, especially in our present situation. Are we being guided by fundamental principles in operating our system of political and economic government? Are we violating the fundamental principles, the laws of nature, the laws of God, which govern governments?

In any other field except that of government, in a situation similar to that in which we find ourselves as to government, such a question would not even arise. No person who did not want the reputation of being foolish would ask it, but the average citizen, the average public official, does not recognize, does not seem to know, that there are any natural laws which limit his discretion as to government, or give direction to public policy.

I come from the country; of an educated ancestry. As a boy I read of many things, and as I came out into the world these things were interesting to me. I learned how to see with my eyes the functioning machinery of the world. Of all the things I have ever seen, this attitude of ours toward our Government is the most remarkable thing I have ever looked upon.

During my contact with government, assisting in operating its functioning machinery, I have been especially interested, from a practical standpoint, in observing the working out of the natural laws which govern governments, the nature of government, and its place in the scheme of things.

The study of the origin and development of our own system of government, and of the effect of various policies of government upon the governmental capacity of the people, and upon the efficiency of its functioning machinery, is, of course, especially interesting.

#### MYTHOLOGICAL TALES AS TO ORIGIN OF GOVERNMENT

When one gets beyond the barrier created by the mythological tales rather generally accepted, which accredit the origin of our government to the will and wisdom of some human beings, famous in our own history, and sees the gradual evolution of our Constitution under natural processes from the first century, when Tacitus gives us that wonderful glimpse of it, operating among the Anglo-Saxons four centuries before they went to England, the study becomes fascinating beyond measure. In order to understand the nature of that with regard to which we must deal, and how intelligently to deal with it, we must know that while the fathers were great men, they were not the creators of our Constitution any more than they were the creators of the language in which its provisions are stated. Our Constitution came from a higher source than that.

No human being ever wrote, in a creative sense, the constitution of a living government. Many peoples have borrowed our Constitution, the document, but they have never operated a government under it, because it never became their constitution. It could not become their constitution. It had not grown up out of their governmental concepts and governmental instincts. It was not rooted there. It was never more than a document.

I would not detract one iota from the legitimate fame of the fathers who, within the limitations imposed upon human genius, did a great service, entitling them to everlasting gratitude; but we must not be confused as to what is our task and the nature of that task by accrediting to human genius, however great, that which nature has withheld from human genius, the creation of the constitution of a living government.

Instead of accepting these mythological tales and becoming confused by them as to our duty, we do the memory of the fathers greater honor and make the perpetuity of their glory more secure by accepting the truth, the humanly possible, historically correct facts with regard to their deeds. This acceptance better fits us to understand our duty and to preserve for the fathers the gratitude of posterity, better fits us by an intelligent emulation of their great example to preserve the Government.

#### GOVERNMENT ORIGINATES AND DEVELOPS UNDER NATURAL LAW

When we get ourselves clear of this confusion we can see, under the operation of natural law, the origin, growth, development, and functioning of our system through the centuries, developing among a people peculiarly gifted with the genius of self-government. Then we are prepared intelligently to begin to familiarize ourselves with the natural laws which we must respect, which indicate our duty, and which fix upon us our responsibility of preserving and transmitting with our contribution, this heritage, to those for whom we are guardian, the generations which are to follow us in use and in responsibility.

When we look about us to-day, conscious of that responsibility, we can not be happy in any sense of duty well performed. With a rapidity unequalled in the history of governments, we are changing the distinctive characteristics of our system from a representative government, the thing which we inherited, to a bureaucratic government, in many respects, of all systems, the most extravagant, most susceptible to tyranny and corruption, and the most destructive of the governmental capacity of the people.

#### VIOLATING NATURAL LAW—MOVING TOWARD BUREAUCRACY

Save one, our most basic philosophy of government finds expression in the three separate, coordinate branches of government—legislative, executive, and judicial. It is the fashion of our orators to have much to say about the wisdom and natural harmony of that arrangement, and the necessity to preserve this separa-

tion, but when we come to examine the direction in which our policies are moving us, we find that we are constantly consolidating these powers of government, and that, too, in an appointed personnel. They are given the power to make rules, which in so far as the average individual is concerned, have all the force of law, the power to construe these rules, and the power to enforce them; all the powers a king ever had.

This is not all. With a rapidity which makes the heart sick, we are reducing the States from the station of sovereignty to that of vassalage to a great Federal bureaucracy.

With even greater rapidity, by moving power to govern and necessity to govern from the smaller units of government, where the average private citizen has the greatest power to govern and necessity to govern, we are destroying the governmental capacity of the private citizen. We are destroying his self-reliance, his consciousness of responsibility, his pride of position, and making him a mendicant at the door of the Federal Treasury. There is nothing more destructive than nonuse. Nature will not waste its energies. Cease to use the arm, it loses the power to do. Fish in the Mammoth Cave have no eyes. Cease to exercise the power to govern, and the power to govern departs.

#### NECESSITY OF STATES TO GOVERN

The right of the States to govern was never important, but the necessity of the States to govern in those matters which fall within their governmental capacity is of fundamental importance.

Go to the various Federal agencies to-day and what do you see? Go to the agencies of the Federal Government dispensing credit and gratuities; there you see the private citizen, the municipality, the other divisions of the States; you see the banks, the railroads, other corporations; and you see sovereign States arguing and pleading with appointed persons for the privilege of borrowing money contributed in taxes by their citizens and money raised by mortgaging the tax-paying resources of their citizens for years to come. Whether these beggars, these mendicants, these once sovereign States get a part of this money or not depends upon what these appointed persons decide to do about it.

#### MAKING FUNDAMENTAL MISTAKES

The conclusion is inescapable that in the operation of our economic and political government as a people we are making a terrible mess of it, a colossal failure. There is something basically wrong. The mistake which we are making is fundamental. We have plenty of material for food and clothing, plenty of factories to prepare the material for use, plenty of money to facilitate commerce, plenty of agencies of transportation, natural resources of field and forest, the rains and the seasons in their order; nothing lacking in our resources to make us a happy, prosperous people. We have no king to oppress. We are the victims of no conquest. We are the heirs to a wonderful system of government. Every provision in our Constitution originated in necessity, was tested by experience, and thoroughly adjusted to our governmental machinery by those not only peculiarly gifted with the genius of self-government but most favorably circumstanced for its exercise, all handed over to us of this generation—nothing to do but to operate this machinery; and we fail. Why?

In any other field, except that of government, in a similar situation everybody in responsibility—and the American people are in responsibility—with any degree of practical common sense would know that something fundamental was being done in the wrong way; was being done in a way contrary to the law of its nature. It is time we cease the strut and swagger of bumptious youth and with candid, seeing eyes, comprehending intelligence, earnest purpose to know the way and resolute purpose to follow it, get acquainted with our job, take an inventory of our resources, and go to work.

#### DIFFICULT OPERATING MODERN GOVERNMENT

To operate a system of modern government, with all its complexities, is quite different from running a government a century or so ago, when the central government was concerned primarily and almost exclusively in conquest and in preserving its security and thereby the security of its citizens. Operating the complex economic machinery of to-day is quite different from what it used to be when the individual was the economic unit and the community the economic organization.

There is no use for us to get nervous about these matters or have the purpose to do something to somebody. Our job is to try to discover the truth, to do it now, when we can proceed with calm eyes, free opportunity, and deliberate judgment, instead of waiting and trying to correct things in the heat and confusion which passion engenders.

Maybe things have grown too big for human capacity and too far from the people, both in governmental and economic organization. I know they have under governmental concentration. This we do know, that the plan of nature is carried out as much by the limitations imposed upon human capacity as by the capacity given to human beings. Whatever is to be done should be done without malice, without vengeance, with understanding and skill. If the delay is too long, the opportunity to act in the right way may be lost.

#### ALL PROGRESS DEPENDENT UPON OBEDIENCE TO NATURAL LAW

As we have gone from the log house to the skyscraper, from the wagon road to the road of steel, from the oxcart to the airplane, as we have moved into this highly developed, scientific age of ours, it has been by discovering the natural laws which govern in these various fields of endeavor and by bringing human skill into harmony with them. By that method we have made great progress in working out formulae and in devising instrumentalities

such as machinery, which make it possible for human beings to work in harmony with those discovered laws.

The initial step and every succeeding step in what we designate as the progress of this age have been achieved by familiarizing ourselves with natural law, and doing things according to that law which inheres in the nature of things, which indicates the plan of nature and compels its execution, that law which human beings may not question and may not disregard. It can not be that in a universe of natural law there is one hiatus, one field where there is no law, no law to govern the development of the structure and the operation of the machinery of a thing so indispensable as economic and political government.

In other fields we succeed. We know positively why we succeed there and how we succeed. We follow the plan and obey the laws of nature and succeed. In the one field, that of government, we follow the guess of human beings and fashion fundamental policy of government by the urge of the economic and political expediency of the moment, and fail. Can we doubt why we fail? We recognize no natural or divine law governing government, and pay the price of our impiety with wrecked fortunes, imperiled institutions, and starving millions in the midst of nature's most bountiful contribution of everything necessary to make us a happy and contented people.

By obedience to law we fly through the air; steam turns the wheels of industry. Nowhere in all the fields of human endeavor does success crown the efforts of human beings who do not yield obedience to this superior law which limits human discretion and gives guidance to human efforts.

**EVERYWHERE EXCEPT IN GOVERNMENT, NATURAL LAWS RESPECTED—  
GOVERNMENT THE ONLY POINT OF FAILURE**

Nowhere in all the field of human endeavor human responsibility, and human necessity, except one, is there now in this age any attempt among intelligent human beings to go forward except as directed and guided by natural law. Whoever would attempt to go forward by any other method would be classed as a fool. The one field which marks the exception also marks the failure. It is the field of political and economic government where, by an amusing coincidence, operate those persons whom we are supposed to look up to, who are supposed to be statesmen and great captains of industry. If one were to suggest in opposition to a proposed policy of government that it would fail because it would violate the natural laws which govern governments, he would probably be arrested for being crazy, and the average jury might convict him upon proof of what he had said. Yet these jurors would discharge any employee of theirs attempting to do his work contrary to natural law.

All about us is success and progress except in this one field. Here we register the colossal failure of the age, and we are still registering it. As compared to medicine, for instance, in the science of government we are in the state of development that that profession was in when it bled Washington to death. We are even further back than that. We have recently witnessed some voodoo practice, medicine men running around jingling their bells in an effort to drive away the bad spirits of fear which were supposed to have bewitched the people, when our trouble was clearly fundamental, not psychological. Then we brought out the only other remedy which we seem to know anything about, credit. As a matter of fact, we were already a Nation of credit addicts, which was responsible for much of our trouble. Anyway, we gave a double dose of this remedy. That exhausted our supply in the drug store, and we had to mortgage the taxpaying power of the people to get the amount required.

What are we going to do when these addicts come back to have the prescription filled again? What are these addicts themselves going to do when the influence of this shot in the arm dies out?

**ARE WE OBSERVING THE NATURAL LAWS WHICH GOVERN GOVERNMENTS?**

A good physician under similar circumstances would look deeply for the seat of the trouble. Our economic and political government is not suffering from a skin disease.

It was true when the Virginia constitutional convention met, it is true now, that "no free government, or the blessings of liberty, can be preserved to any people \* \* \* but by frequent recurrence to fundamental principles," obedience to natural law.

From the savage in the jungles through all the gradations to the highest civilization, consciously or unconsciously, it is recognized by every people that they live in a universe of natural laws. The savage does not attempt to start a fire except by the plan which experience has demonstrated is fixed for him in the nature of things. The unlettered farmer does not plant his various crops at the same time, or cultivate them in the same way. His wheat, his corn, and his cotton are different. Their respective natures and requirements are different, made different by natural law, which he recognizes and respects. To please the gods who gave the harvest, heathen peoples used to wave over the flowers of the tame dates, flowers cut from the wild date trees. They had learned that if they did that, some force beyond themselves increased the harvest. They helped nature pollenize their crops, and received the reward which nature gives to those who will become her obedient copartners.

It was the prayer of the pagan philosopher:

"Lead me, O Zeus, and thou O Destiny,  
The way thou wouldst have me to go;  
To follow I am ready. If I choose not,  
I make myself a wretch, and still must follow."

The spirit of that prayer, how to find the way and how to walk in the way fixed by the infinite purpose, was in the heart of Edi-

son, of Burbank, of Steinmetz, of Marconi, of Wright, and of all the rest. Laboratories and experiments have no other purpose than to serve as agencies of exploration and discovery of the laws of nature, and how to work in obedience to them. In business there are laws. The trained business man says to his subordinates, "You must not do it that way." Why? Because it would violate the laws of business. The would-be physician goes to school for years to learn the laws of nature which govern the human body, and remedies for human ills. His sole purpose in the practice of his profession is to put his skill in harmony with those laws. From the time the seed of the smallest plant drops into the soil until it reaches fruition it is governed by law. Up the scale to the unnumbered systems of worlds, everywhere there is law.

In all the broad sweep touched by the observation or effort of men, there is but one field where there is neither theoretical nor practical recognition of the fact that there are natural laws which govern, which men must obey, laws which limit human discretion and fix human policies. That one field in all the universe of human thought and effort is the great field of human government. There is the point of confusion. There is the point of failure. I use the word "government" in the broad sense, covering political and economic government.

All we can learn, as we look upon the moving panorama of the created universe, as we look about us at the man-operated machinery of modern life, as we consult the judgment of common sense, as we review the lessons of history recording the result of experience in the realms of government, warns us against our attitude—this folly, this species of national impiety.

Heathen philosophers, teachers of the statesmen of their age, observing the uniformity of effects resulting from given policies of government, arrived at the conclusion that this or that policy was pleasing or displeasing to the gods. Not so far wrong, the conclusion of these ancient thinkers who went out into the silent places to think.

During the period known to us as that of the Revolution and of constitutional construction, and for some years afterward, great principles guided. Great men deliberately and consciously submitted to such guidance in the shaping of the public policy of this people. That is why we know them as great men. That is why they were great. May I observe in passing, however, ours was not a revolution in the sense of the French or the Russian Revolution. Ours was a territorial secession and a resort to arms as a necessary expedient to preserve for ourselves and for posterity an established constitution, which we claimed, as justification for our acts, was being violated by King George and his Parliament. We were merely going forward in the same direction along the same road upon which our ancestors had traveled, and who erected as monuments marking their progress the Magna Charta, petition of right, bill of rights, and the acts of settlement.

Of course, human beings are not great except as compared with other human beings. It is only when they become obedient instrumentalities of nature and thereby become associated with nature in the doing of great things that they become known as great. Nobody who jumps from one time-serving expedient to another, trying to escape political calamities which lurk between elections, however efficient his press agent, will ever confuse the historian as to his proper place.

**REGARD FOR FUNDAMENTAL PRINCIPLES ESSENTIAL**

From the Virginia convention we get this declaration: "That no free government or the blessings of liberty can be preserved to any people but by a firm adherence to justice, moderation, temperance, frugality, and virtue," and this the last: "And by frequent recurrence to fundamental principles."

It was said in those days: "There is a God who presides over the destiny of nations." If one were to reiterate that declaration now it would be assumed that he was trying to be oratorical, instead of stating a literal fact, one which by great practical statesmen in ever great age has been recognized as a fact. It was universally so during the formative days of our written constitutions, the years during which great statesmen guided the new government.

In the constitutional conventions they talked much about the plan of nature, and the laws of nature operating in the field of government. They knew that governments are not accidents. They knew that they are provided for in the big economy; that they originate, develop, and operate under natural law.

The present is almost the only period in many centuries in which no substantial evidence exists of any knowledge of that fact. It is not to be found in the conversation of the people, in the words of the public official, or reflected in the practical operation of government. That is a most remarkable thing in view of the long accepted fact, in view of the often demonstrated fact, in view of the fact that the utilization of government by human beings has been made certain by the fixing in human nature and in the difficulties of social life the absolute necessity to have government. It is even the more remarkable that this attitude as to government should occur in this, the most highly developed scientific age in all history, when busy millions everywhere are seeking diligently to acquire a more exact knowledge of natural law and how the more obediently to it they may do their work.

My apology for appearing to argue this point is that I have searched in vain among the people and sought in vain to find embodied in our programs of government, recognition of the existence of basic natural law which must be first consulted.

**NO RESULT WITHOUT A CAUSE—LAW EVERYWHERE**

When I was a young boy on my father's farm in Tennessee, I read in one of his books one day, "There is no result without a



corresponding antecedent adequate cause." I was tremendously impressed by that statement, and went out on the farm to investigate. It checked up all right. I accepted it as a fact, the most important thing I ever learned.

My mother told me about the omnipotence of God, everywhere and doing everything at the same time by a fixed plan which some people called the laws of nature. I went out into the fields to see about that also. Around each little plant down in the soil, everywhere outside and inside, there was something which was taking just the right things from the soil, the water, the air, and the sunshine, and building each little plant according to the law of its nature, even to the blooms of the great poplar tree where the hawks had their nests. I could see, that from the time each seed dropped into the soil until its life course culminated in fruition, it was governed by law. When I looked up at night I saw each night that the few stars I knew were where I expected to find them. I knew I was living in a universe of law. Some things we planted early and some late. It was the law of their nature, and all the farmers in our neighborhood respected that law. The first time I loaded a wagon with hay the top of it slid off. The next time I did it the right way. I kept a broad base and tramped it well in the middle. I had learned that the law of gravity is mighty busy on a Tennessee hillside. When my brother came back from medical school I found he had been devoting his time to learning the laws of nature governing the human body, and the remedies for human ills.

As I broadened my contact with life, I retained my interest in observing the motives and methods, the restraints, the rewards and punishments which keep things moving in fairly uniform directions. My most fascinating diversion has always been trailing results back to their respective causes.

#### WE NO LONGER GUIDED BY FUNDAMENTAL PRINCIPLES, NATURAL LAW

I used to hear speakers discuss fundamental principles in government, and sometimes the papers had something to say about them. There was something said about them when I first came to Congress. But since the war it has been rather old foggy to mention such things. They have not cared for it at home either. People have wanted to be amused, and there is nothing especially amusing about fundamental principles of government.

The papers have largely abandoned that field also. They have had to give the people something sensational. The people were not interested in the story that a dog had bitten a man, but it has been worth the price of a paper to read about a man biting a dog. So people who have wanted publicity drifted toward dog biting; the less conventional the place the larger the headlines and the nearer the front page. The papers, wanting to sell what they printed, have drifted toward chasers of dog biters.

There is no mystery about why we are in the condition in which we find ourselves. We have come to it as straight as a crow could fly. The great pity is that so many people are having to suffer out of proportion to what they have done toward bringing this condition about.

At the very time when our political and economic difficulties, our governmental difficulties, challenge us to the highest degree of civic and governmental efficiency, we are drifting to lower levels. There is no mystery about our condition. There is no result without a cause.

#### WE HAVE JAZZED OFF INTO THE JUNGLES

When some one learned how to press a button and get light instead of having to skin a yearling and get some tallow for candles, and others learned how to do similar things, we became afflicted with a serious malady, and it was not inferiority complex.

Everything was out of date. The masterpieces of music, which had thrilled and elevated the souls of people through the years, were cast into the discard and we brought forth our contribution, My Moon Eyed Baby in Watermelon Time. A similar thing happened to our literature, to our philosophy, and in no small degree to education and to religion. Everybody got young. Grandma whacked off a foot or two of her skirt and grabbed a horn; grandpa straightened up his old back and hobbled into the procession. Ma and pa cut a few fancy capers and joined with brother and sister up in front. Everybody had a horn. We could not be bothered; all in a hurry to go somewhere, to leave there to go somewhere else. Whatever needed attention would be all right just around the corner; on with the jazz.

We have jazzed off into the jungles. We have lost our way. We are looking for a boulevard to go out on. There is no boulevard leading out from where we are. We are going to have to cut down the trees and go out over the stumps.

The declaration from the Virginia Convention that there can be no liberty except by frequent recurrence to fundamental principles is the most important declaration which has come to us from what is known as the period of constitutional construction.

We would not be warned by the admonitions of the fathers. We would not be taught by the experience of others. We have been contemptuous of the lessons of history. We fashioned our policies in defiance of natural law. We pay the penalty. We would be attentive only to the lash, and we are getting the lash. It was the last resort.

Fundamentally, that is the explanation for our difficulties. Whether it result from a law fashioned into the nature of things in the beginning, or from a special interposition of Providence, as some believe, may constitute a basis for speculation and for dispute; but history leaves no basis for intelligent difference of opinion as to the fact that no people who give direction to their governmental policy or to their civilization in conflict with that

fixed by the infinite plan were ever able to escape punishment. There is nothing remarkable about that. Try cultivating a crop; try building a railroad; try curing sick people—try doing anything contrary to the plan of nature and disaster is inevitable.

We may not like that arrangement, but there is nothing we can do about it. We may not like the law of gravitation, but if we step off the roof of a house we are likely to get smashed.

#### THIS IS INTENSELY PRACTICAL MATTER

This is not only a practical subject I am discussing, but it is one urgently demanding immediate consideration. We can not longer postpone the task, however difficult it may be, of bringing the policies of our Government into accord with the natural laws which govern free government.

Popular government is pyramidal in fashion. By nature it functions from the bottom upward. We can neither stand it on the point of the pyramid, nor compel it to function from the top downward. By the nature of popular government, after the formative period, all true progress must be in that direction which sends the power to govern and the necessity to govern closer and closer to the people. It is the development of the people and not of government with which nature is concerned. The only way we can preserve and develop the capacity to govern is by governing. The only way we can preserve a responsible people, the thing indispensably necessary in a popular government, is to keep them in responsibility.

Only by increasing the governmental responsibility of the smaller units of government composing the States, and of the States as such, which, functioning largely through a locally elected personnel, are peculiarly adapted to the utilization of Anglo-Saxon institutions—the Federal organization is not—is it possible to increase the power and sense of responsibility and governmental capacity of the private citizen, the only source of power and strength and protection possible under our system of government.

I am not discussing this subject academically. It has passed beyond the stage of academic interest. It is the greatest problem of urgent practical concern which confronts the American people. The self-reliance of the individual citizen is being destroyed. The self-reliance of the counties and cities and States is being destroyed. They are being relieved of the necessity to govern. That is the most deadly thing that could occur.

#### DESTROYING THE FOUNDATION

A similar thing seems to be happening in the economic field. The independent man of the soil, the small business man, the small banks, the little community owned factories, making up the relatively economically independent communities, responsible for local economic strength and local government, each a citadel manned by its own self-respecting citizens, this yeomanry of business and of industry, conscious of personal interest, conscious of personal responsibility, all together making the only natural dependable line of defense possible in a republic, behind which line of defense private property and the institutions of free government can find security; these are fading from the picture. Nothing is being supplied to take their place. What will happen when the next radical reaction attempts to overrun the country? Do men fight for a boarding house as they fight for their homes? This government is not resident in Washington. Neither is the source of its economic strength to be found in great cities.

Look over the land and see the widespread devastation which our incompetency has wrought there. These things to which I have referred are taking place at the foundation of our governmental and economic structure. Paralyze the power of this yeomanry, economic or political, and that paralysis will extend throughout the whole economic and political structure. That is exactly what is happening; not a panic, not a depression, not the result of some great calamity or assault upon government but paralysis, creeping up from the bottom, from the root of the tree, blighting and withering to the topmost branches.

Every reservoir of credit in this country has been exhausted, we are told, except the Federal Treasury. As a matter of fact, that is exhausted. We are now mortgaging the future tax-paying power of the people, while those who heretofore have come to the Treasury only to make their contribution are coming now with empty vessels to be filled. We can not maintain this Federal Government resting upon a structure of decaying States. We can not maintain our great economic organizations of the cities resting upon an economic foundation such as the condition of the people provides. Better the tree grow not so rapidly or so great than to draw the vitality from the root necessary to develop a root structure capable of sustaining the tree when the drought comes.

#### FEDERAL RESPONSIBILITY BEYOND HUMAN CAPACITY

One of the important results of this attempt to operate our governmental system from the top downward, this violation of the natural law governing governments, is that the Federal organization to which general governmental responsibilities are being shifted from the States, and which in addition is becoming the fiscal agent of almost everything and everybody, has reached a total of governmental responsibility utterly beyond human capacity to discharge through any machinery possible of popular control or of any other sort of reasonable supervision.

There is in progress in this country, apparently without attracting popular notice or concern, as interesting a development as has occurred anywhere in more than a thousand years. Two close together paralleling lines of movement; one the governmental organization moving toward a great Federal bureaucracy and the other the economic organization moving toward economic feudalism with certain definite socialistic tendencies.

There are less than 600 elected persons connected with the entire Federal Government. When they are all functioning they are up here in one spot on the Eastern border. Behind us lies all the territory to the Pacific Ocean, and from the Lakes to the Gulf. To the south are the Virgin Islands, lower down, Puerto Rico, further still, the Panama Canal Zone. In the middle of the Pacific, are the Hawaiian Islands, and on the other side of the earth, the Philippines, all over the earth, the Diplomatic and Consular Service and international problems.

There were over 13,000 bills introduced last session in the House. If a Member were to do nothing else he would scarcely have time to read them. Besides the enormous volume of correspondence, his committee and general legislative duties, etc., the Member of Congress must act as a sort of liaison officer between his constituents and the ever-increasing departmental and bureaucratic power. In an attempt to take care of the volume of work pressing upon the Congress, the committees of Congress, whose normal business is to prepare legislative matters for an easier comprehension by the body of the membership, have become in fact little houses of Congress. I checked up on a naval bill one session, calling for an expenditure of \$360,000,000. The bill was referred to a subcommittee of five of the Appropriations Committee, which later reported to the full committee. The full committee gave two hours to the consideration of the bill and reported to the House. The House passed the bill with less than 20 Members, I am sure, possessed of the detailed information necessary to an advised, independent judgment. There was nobody to blame for that. It could not be done otherwise.

Even with this dangerous, inefficient, and nonrepresentative arrangement, which sacrifices efficiency, all of the volume of legislative duties can not be attended to by the Congress. As a result, bureaus are created to take care of the overload. To these bureaus the power is given to make rules and regulations which have for the average citizen the force of law; to construe these rules; and to enforce them. That in effect is more than a mere shift of legislative duties from where they belong to the executive branch of the Government. It is a consolidation of all the powers of government in one branch.

#### OVER 725,000 PERSONS IN EXECUTIVE BRANCH

When we look to the executive branch of the Government we discover several important things. One is where some of the tax money goes. That branch has a personnel of over 725,000 people. That does not include soldiers and sailors. Of this over 725,000 persons on the Federal pay roll, only one, the President, is elected by the people. This is perhaps the most significant fact to be considered in determining the wisdom of the attempt to shift the general governmental powers and duties from the States to the Federal Government and have the system operate from the top downward.

It is a good illustration of the conflict between the facts and the perfectly ridiculous twaddle which makes up the average Fourth of July address. Instead of warning the people of their danger, and rallying them to their duty, making them to know that strength and security are measured by the governmental capacity and virtue of the people, they try to create the impression that the fathers of their own wills and brains created for us a self-perpetuating, fool-proof system of government. Instead of telling the people the truth, that the State governmental organization alone is adapted to the functioning of Anglo-Saxon institutions, all interest, hope, and dependence are centered upon the Federal organization.

On such occasions the people are told of the wonderful plan of our representative government, where free citizens carry forward the business of government through chosen agents, and here we have in the executive branch of the Federal Government nearly three-quarters of a million persons only one of whom is chosen by the people. The others they do not choose, they can not direct, and they can not discharge. The people do not govern them; they govern the people. The President does not know these more than 725,000 people, who they are, where they are, or what they are doing with governmental powers delegated to them.

Aside from the destructive effect upon the governmental capacity of the citizens and upon the States, by relieving them of the governmental responsibility and power which it is necessary for them to exercise in order to retain their governmental vigor and acquire greater capacity for the bigger problems of to-morrow; and despite all the arrangements which have been made, sacrificing efficiency, trying to take care of the governmental overload concentrated at Washington; the total of matters which have been shifted from the States, plus the natural increase in Federal business, plus that which is being done by the Federal Government which no agency of government should do, makes it impossible, with tolerable efficiency for the Federal officials, to attend to the purely Federal business which no other agency of government can attend to.

#### PAYING THE PENALTY FOR VIOLATED NATURAL LAW

I recall that just before the bill was passed in 1925 reducing the obligatory jurisdiction of the Supreme Court, one of the Justices told me that the greatest danger involved in their overloaded condition was that the Justices might become indifferent in the presence of an impossible task. That is exactly what is happening in the legislative branch of the Government, facing a volume of duties utterly beyond human capacity.

Just as the physician, just as the farmer, just as the scientist, not knowing the way to go, seeks as his compass the guidance of fundamental principles, becomes obedient to the laws of nature, so in working out of our economic and governmental difficulties we

must return to fundamental principles, to obedience to the laws of nature, the laws of God which govern governments.

We have got to pay the price, we are paying the price for our violation of these laws, but we can get back on the right road. It is not to be deplored that the task is difficult. We have been growing pretty soft. Difficulties, as much as we dislike them, are necessary sometimes. Difficulties constitute the major part of the gymnastic paraphernalia provided by nature for the development of people. The great epochs of the world are those times when, with resolute purpose, human beings have moved forward in victorious struggle against great difficulties. Had there been no battles there would have been no victories. Had there been no difficulties human progress would not have been possible. It is the plan of nature. No great character ever came from under the tropical sun, where one can climb a tree for his breakfast and pull off a few leaves on the way down to make himself a full dress suit.

No generation can choose its task. All the generations which have gone before have fashioned ours.

#### OUR DIFFICULTIES CHALLENGE ALL THE PEOPLE

Our difficulties challenge us to produce the highest type of citizenship and the wisest statesmanship, economic and political, the world has ever known. It is not a situation which can be straightened out by a few wise men. It requires the united effort and challenges the genius of the whole American citizenship.

We can not longer ignore that challenge. There should have been progress in the science of government, and in the governmental capacity of the people, paralleling the industrial and scientific progress, but instead of that, governmentally, we have been moving in the opposite direction. We have gone so far that we have not only abandoned the guidance of fundamental principles but in the operation of our complex governmental organization and in the thinking of the people we do not recognize the existence of any plan or force in nature which shapes the general outlines of successful governmental policy.

Go to the White House. Come up to Capitol Hill when Congress is in session. Talk to the people. You can not discover it.

Practically speaking, it is not now even recognized by us as a people that there is a natural line of cleavage between the governmental duties of the States and those of the Federal organization.

Clearly necessity, inescapable, urgent necessity, points to this as the next field in which human genius must display its greatest capacity or all else which human genius has attained to will exist only to mock a people who, taught by experience of the universality of God's dominating law, and rewarded for its obedience with the golden age of science, yet in the operation of their political and economic government disobey that law and pay with disaster the price of their disobedience.

#### ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

Mr. SNELL. Will the gentleman permit a question? Is there anything definite on the program for to-morrow?

The SPEAKER. General debate, the Chair understands.

Mr. SNELL. We are to continue with general debate?

The SPEAKER. The gentleman from Tennessee [Mr. BYRNS] made the statement the other day, which I think was confirmed by the gentleman from Illinois [Mr. RAINEY], that it was the purpose to have general debate to-day and to-morrow in the hope that there would be less general debate on the appropriation bill and, in fact, that general debate might be confined to the bill itself.

The motion was agreed to; accordingly (at 4 o'clock and 47 minutes p. m.) the House adjourned until to-morrow, Thursday, December 8, 1932, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Thursday, December 8, 1932, as reported to the floor leader:

##### WAYS AND MEANS

(10 a. m.)

Continue hearings on beer bill.

##### RIVERS AND HARBORS

(10.30 a. m.)

Hearings on various subjects.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

745. A letter from the Administrator of Veterans' Affairs, transmitting annual report for the fiscal year ended June 30, 1932 (H. Doc. No. 415); to the Committee on World War

Veterans' Legislation and ordered to be printed, with illustrations.

746. A letter from the Director of the United States Shipping Board, transmitting Bureau of Research reports as follows: No. 157, Water-borne Passenger Traffic of the United States, Fiscal Year 1932; No. 300, American Merchant Vessels as of September 30, 1932; and No. 317, United States Water-borne Intercoastal Traffic, Fiscal Year 1932; to the Committee on Merchant Marine, Radio, and Fisheries.

747. A letter from the Secretary of the Navy, transmitting draft of a proposed joint resolution authorizing the Secretary of the Navy to sell obsolete and surplus clothing at nominal prices for distribution to the needy; to the Committee on Naval Affairs.

748. A letter from the Administrator of Veterans' Affairs, transmitting a report of the transportation issued to veterans who were temporarily resident in the District of Columbia in connection with the consideration being given by the Congress to the demand for the full cash payment on adjusted-service certificates (H. Doc. No. 488); to the Committee on Appropriations and ordered to be printed.

749. A letter from the Secretary of War, transmitting the annual reports of the War Department for the fiscal year ended June 30, 1932; to the Committee on Military Affairs.

750. A letter from the Secretary of the Treasury, transmitting annual report on the state of the finances for the fiscal year ended June 30, 1932; to the Committee on Ways and Means and ordered to be printed, with illustrations.

751. A letter from the Postmaster General, transmitting the cost ascertainment report for the fiscal year 1932; to the Committee on the Post Office and Post Roads.

752. A letter from the Postmaster General, transmitting a report of all cases where special contracts were made with the railroad companies for the transportation of the mails, and the terms and reasons therefor; to the Committee on the Post Office and Post Roads.

753. A letter from the Attorney General, transmitting a list of suits arising under the act of March 9, 1920 (41 Stat. 525), authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal; to the Committee on Claims.

754. A letter from the Attorney General, transmitting a list of suits arising under the public vessel act of March 3, 1925 (45 Stat. 1112), in which final decrees were entered, exclusive of cases on appeal; to the Committee on Claims.

755. A letter from the acting chairman of the Federal Farm Board, transmitting the third annual report of the Federal Farm Board covering its operations during the fiscal year ending June 30, 1932 (H. Doc. No. 422); to the Committee on Agriculture and ordered to be printed.

756. A letter from the acting chairman of the Federal Farm Board, transmitting a special report of the Federal Farm Board on recommendations for legislation (H. Doc. No. 489); to the Committee on Agriculture and ordered to be printed.

757. A letter from the Attorney General, transmitting the annual report of the Department of Justice for the fiscal year ended June 30, 1932 (H. Doc. No. 412); to the Committee on the Judiciary and ordered to be printed.

758. A letter from the Director of the Bureau of the Budget, transmitting a report of vessels and vehicles forfeited to the United States for violation of various laws (H. Doc. No. 490); to the Committee on Expenditures in the Executive Departments and ordered to be printed, with illustrations.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. KELLER: Committee on the Library. House Joint Resolution 131. A joint resolution to make available to Congress the services and data of the Interstate Legislative Reference Bureau; without amendment (Rept. No. 1784). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEVENSON: Committee on Printing. House Concurrent Resolution 40. A concurrent resolution to provide for the printing of additional copies of the hearings held before the Committee on Ways and Means of the House of Representatives on House Joint Resolution 123, relating to moratorium on foreign debts (Rept. No. 1785). Ordered to be printed.

#### CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 13119) granting a pension to Agnes B. Flynn, and the same was referred to the Committee on Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLANCY: A bill (H. R. 13356) to authorize compensation for naval reservists physically injured in line of duty; to the Committee on Naval Affairs.

By Mr. McSWAIN: A bill (H. R. 13357) to amend the act entitled "An act to amend an act entitled 'An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department, approved February 24, 1923,' approved April 21, 1928," so as to include the Navy; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 13358) to amend in certain particulars section 21 of an act entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," approved February 28, 1925, effective July 1, 1925; to the Committee on Naval Affairs.

Also, a bill (H. R. 13359) to amend section 18 of the act of February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve" in order to provide for age in grade retirement for officers in the Naval Reserve; to the Committee on Naval Affairs.

By Mr. GRANFIELD: A bill (H. R. 13360) providing that 100 per cent of the annual gross receipts, including money-order fees, be credited for the annual classification of post offices; to the Committee on the Post Office and Post Roads.

By Mr. WELCH: A bill (H. R. 13361) to provide revenue by increasing taxes on certain nonintoxicating liquors and to remove the limitation contained in the prohibition laws upon the manufacture, transportation, and sale of such liquors in certain cases; to the Committee on Ways and Means.

By Mr. GLOVER: A bill (H. R. 13362) to amend section 71 of the Judicial Code as amended; to the Committee on the Judiciary.

By Mr. LEAVITT: A bill (H. R. 13363) for the appointment of an additional circuit judge for the ninth judicial circuit; to the Committee on the Judiciary.

By Mr. COLLINS: A bill (H. R. 13364) reducing the rate of postage on mail matter of the first class; to the Committee on Ways and Means.

By Mr. McSWAIN: A bill (H. R. 13365) to amend section 2 of the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States," approved June 21, 1930, so as to prohibit persons who have been subsequently separated from the service under other than honorable conditions from bearing the official title and upon occasions of ceremony wearing the uniform of the highest grade held by them during their war service; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 13366) to provide for the retirement of certain commissioned officers of any of the staff corps of the Navy who have failed to qualify for advancement to the rank of lieutenant commander; to the Committee on Naval Affairs.

Also, a bill (H. R. 13367) to confer the degree of bachelor of science upon graduates of the Naval Academy; to the Committee on Naval Affairs.

By Mr. MEAD: A bill (H. R. 13368) to amend the national prohibition act so as to provide for increasing the permissible alcoholic content of beer, ale, or porter to 3 per cent by weight; to the Committee on the Judiciary.

By Mr. MARTIN of Massachusetts: A bill (H. R. 13369) to classify in the civil service employees in post offices of the third class; to the Committee on the Civil Service.

By Mr. GRANFIELD: A bill (H. R. 13370) providing for a regular and fixed annual salary for substitute employees in the United States Postal Service; to the Committee on the Civil Service.

By Mrs. KAHN: A bill (H. R. 13371) to provide additional revenue by increasing taxes on certain nonintoxicating liquors and to remove such liquors from the operation of the prohibition laws in certain cases; to the Committee on Ways and Means.

By Mr. GASQUE: A bill (H. R. 13372) to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Missouri: A bill (H. R. 13373) to restore the 2-cent rate of postage on first-class mail matter; to the Committee on Ways and Means.

Also, a bill (H. R. 13374) to repeal the tax on bank checks, drafts, and orders for the payment of money; to the Committee on Ways and Means.

By Mr. WILLIAMSON: A bill (H. R. 13375) to provide temporary aid to agriculture for the relief of the existing national economic emergency; to the Committee on Agriculture.

By Mr. BROWNING: A bill (H. R. 13376) to create a Federal farm loan corporation; to the Committee on Banking and Currency.

By Mr. SMITH of Idaho: A bill (H. R. 13377) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska; to the Committee on Mines and Mining.

By Mrs. NORTON (by request): A bill (H. R. 13378) to amend sections 416 and 417 of the Revised Statutes, relating to the District of Columbia; to the Committee on the District of Columbia.

By Mr. DICKINSON: A bill (H. R. 13379) authorizing and directing the Secretary of the Interior to enroll on the tribal rolls of the Choctaw and Chickasaw Nations all Choctaw and Chickasaw claimants whose names appear in the citizenship cases hereinafter mentioned and who were duly and legally enrolled by the Federal court, and the heirs now living of all such claimants, born prior to the closing of said tribal rolls by an act of Congress; to the Committee on Indian Affairs.

By Mr. LAGUARDIA: Resolution (H. Res. 311) for the consideration of H. R. 11685, a bill authorizing the Secretary of War to lease or to sell certain lands and buildings known as Fort Schuyler, N. Y., to the city of New York; to the Committee on Rules.

By Mr. SHANNON: Resolution (H. Res. 312) extending the time within which report shall be made by special committee appointed pursuant to House Resolution 235; to the Committee on Rules.

By Mr. RAINEY: Joint resolution (H. J. Res. 492) to provide for furnishing the CONGRESSIONAL RECORD for the current session to certain Members elect of the Seventy-third Congress; to the Committee on Printing.

By Mrs. ROGERS: Joint resolution (H. J. Res. 493), to authorize the Commissioner of Education to make a study of the Florence Barnard plan of time and money management, and to make the results of such study available to the schools and the people of the United States; to the Committee on Education.

By Mr. FULMER: Joint resolution (H. J. Res. 494) authorizing the distribution of one-half million bales of Government-owned cotton to the American National Red Cross and other organizations for relief of distress; to the Committee on Agriculture.

By Mr. MEAD: Joint resolution (H. J. Res. 495) for the relief of certain persons retired on July 10, 1932, pursuant to Executive Order No. 5874; to the Committee on the Civil Service.

#### PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ARNOLD: A bill (H. R. 13380) granting an increase of pension to Jane Martin; to the Committee on Invalid Pensions.

By Mr. BIDDLE: A bill (H. R. 13381) granting a pension to Mary Wentle; to the Committee on Invalid Pensions.

By Mr. BOEHNE: A bill (H. R. 13382) granting an increase of pension to Minnie Wheeler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13383) granting an increase of pension to Wilhelmina Tonnemacher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13384) granting an increase of pension to Martha Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13385) granting an increase of pension to Mary Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13386) granting an increase of pension to Kate Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13387) granting an increase of pension to Maria Heilman; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 13388) granting an increase of pension to Josephine Morris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13389) granting a pension to Alonzo Edward Davis; to the Committee on Pensions.

By Mr. CARDEN: A bill (H. R. 13390) granting a pension to Bartholomew C. Leonardi; to the Committee on Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 13391) granting an increase of pension to Anna Steele; to the Committee on Pensions.

Also, a bill (H. R. 13392) for the relief of Sylvester T. Moriarty; to the Committee on Naval Affairs.

Also, a bill (H. R. 13393) granting a pension to Julia C. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13394) granting an increase of pension to Susan A. Richardson; to the Committee on Invalid Pensions.

By Mr. COLE of Iowa: A bill (H. R. 13395) granting an increase of pension to Mary E. Hodgden; to the Committee on Invalid Pensions.

By Mr. CRAWL: A bill (H. R. 13396) for the relief of Earl M. Peters; to the Committee on Naval Affairs.

Also, a bill (H. R. 13397) granting a pension to Ella Schaeffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13398) granting a pension to Catherine Banks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13399) for the relief of Charles Wallace Wentworth; to the Committee on Naval Affairs.

Also, a bill (H. R. 13400) for the relief of Gilbert E. Burt; to the Committee on Naval Affairs.

Also, a bill (H. R. 13401) granting a pension to Anthony Briggs; to the Committee on Pensions.

Also, a bill (H. R. 13402) granting a pension to Mrs. David Haugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13403) granting a pension to Jesse L. Hindman; to the Committee on Pensions.

Also, a bill (H. R. 13404) granting a pension to Arthur Mosel; to the Committee on Pensions.

Also, a bill (H. R. 13405) for the relief of Victor Arthur Livingston; to the Committee on Naval Affairs.

Also, a bill (H. R. 13406) granting a pension to Nancy A. Keiser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13407) granting a pension to Matilda Keeney; to the Committee on Invalid Pensions.

By Mr. DICKINSON: A bill (H. R. 13408) granting a pension to Plesy J. Graham; to the Committee on Pensions.

Also, a bill (H. R. 13409) granting an increase of pension to Nancy A. Rickett; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 13410) for the relief of Nathan A. Buck; to the Committee on Claims.

By Mr. GOLDER: A bill (H. R. 13411) for the relief of Richard M. Cripps; to the Committee on Military Affairs.

Also, a bill (H. R. 13412) granting a pension to Elizabeth M. Reilly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13413) for the relief of James Hudson Mitchell; to the Committee on Naval Affairs.

By Mr. HARLAN: A bill (H. R. 13414) granting an increase of pension to Sallie King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13415) granting a pension to John Allen; to the Committee on Pensions.

By Mr. HORNOR: A bill (H. R. 13416) for the relief of Charles H. Frum; to the Committee on Military Affairs.

Also, a bill (H. R. 13417) granting a pension to Columbus R. Fulks; to the Committee on Pensions.

By Mr. JENKINS: A bill (H. R. 13418) granting an increase of pension to Electa M. Hysell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13419) granting an increase of pension to Amy F. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13420) granting a pension to Dora Zeigler; to the Committee on Invalid Pensions.

By Mr. LANHAM: A bill (H. R. 13421) for the relief of C. A. Dickson; to the Committee on Claims.

By Mr. McKEOWN: A bill (H. R. 13422) granting a pension to Albert M. Deeter; to the Committee on Pensions.

Also, a bill (H. R. 13423) granting a pension to Bettie Baker; to the Committee on Pensions.

By Mr. McSWAIN: A bill (H. R. 13424) granting a pension to Troy J. Stepp; to the Committee on Pensions.

By Mr. MAGRADY: A bill (H. R. 13425) granting an increase of pension to Emma Bucher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13426) granting an increase of pension to Mary A. Fields; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 13427) granting an increase of pension to Ida H. Rupert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13428) for the relief of William Eaky Lewis; to the Committee on Naval Affairs.

By Mr. MILLER: A bill (H. R. 13429) for the reinstatement of Leonard L. Wilson in the United States Navy; to the Committee on Naval Affairs.

By Mr. NELSON of Wisconsin: A bill (H. R. 13430) granting an increase of pension to Alice M. Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13431) granting an increase of pension to Jennie Peterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13432) granting an increase of pension to Caroline Spears; to the Committee on Invalid Pensions.

By Mrs. NORTON: A bill (H. R. 13433) for the relief of Henry Bess; to the Committee on Military Affairs.

By Mrs. OWEN: A bill (H. R. 13434) for the relief of Charles A. Wales; to the Committee on Claims.

By Mr. PARSONS: A bill (H. R. 13435) granting an increase of pension to Martha Stine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13436) granting a pension to Grover C. Etheridge; to the Committee on Pensions.

By Mr. POLK: A bill (H. R. 13437) granting a pension to Samuel Evans; to the Committee on Pensions.

Also, a bill (H. R. 13438) granting a pension to Levi Copas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13439) granting a pension to Flora A. Monroe; to the Committee on Invalid Pensions.

By Mr. RICH: A bill (H. R. 13440) for the relief of the Muncy Valley Private Hospital; to the Committee on Claims.

By Mr. ROBINSON: A bill (H. R. 13441) granting a pension to Lydia A. Havens; to the Committee on Invalid Pensions.

By Mr. SHANNON: A bill (H. R. 13442) for the relief of William George O'Neal; to the Committee on Military Affairs.

By Mr. SHOTT: A bill (H. R. 13443) granting a pension to Tom B. Jimmerfield; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 13444) granting an increase of pension to Lena B. Kelley; to the Committee on Invalid Pensions.

By Mr. SMITH of West Virginia: A bill (H. R. 13445) for the relief of William G. Hubbard II, alias Andrew Palmer; to the Committee on Naval Affairs.

By Mr. SWING: A bill (H. R. 13446) for the relief of Hallie Coffman; to the Committee on Naval Affairs.

Also, a bill (H. R. 13447) for the relief of Louis Columbus De Perini; to the Committee on Naval Affairs.

By Mr. STULL: A bill (H. R. 13448) granting an increase of pension to Ellen Bennett; to the Committee on Invalid Pensions.

By Mr. WIGGLESWORTH: A bill (H. R. 13449) for the relief of Walter B. Smith; to the Committee on Expenditures in the Executive Departments.

By Mr. WITHROW: A bill (H. R. 13450) for the relief of Charles A. Besch; to the Committee on Pensions.

Also, a bill (H. R. 13451) to amend and correct the military record of Albert Kaman; to the Committee on Military Affairs.

Also, a bill (H. R. 13452) to amend and correct the military record of Frank Schneider; to the Committee on Military Affairs.

By Mr. WOLFENDEN: A bill (H. R. 13453) for the relief of Wayne Smallwood Vetterlein; to the Committee on Claims.

By Mr. WOODRUFF: A bill (H. R. 13454) for the relief of Helen Copeland; to the Committee on Claims.

By Mr. BUCKBEE: Resolution (H. Res. 313) to pay Ide Early, son of William Early, six months' compensation and an additional amount not exceeding \$250 to defray funeral expenses of the said William Early; to the Committee on Accounts.

#### PETITIONS, ETC.

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

8691. By Mr. BUCKBEE: Petition of Ella L. Brumbaugh, of Rockford, Ill., and 53 signers, asking Congress to enact a law establishing a Federal motion-picture commission, which would regulate the industry and supervise the production, especially in interstate commerce; to the Committee on Interstate and Foreign Commerce.

8692. By Mr. BOEHNE: Petition of members of Santa Claus (Ind.) Methodist Episcopal Church, protesting against repeal of the eighteenth amendment; to the Committee on the Judiciary.

8693. By Mr. CAMPBELL of Iowa: Petition of the Woman's Home Missionary Society of Galva, Iowa, urging support of Senate bill 1079, and Senate Resolution 170, relative to the establishment of a Federal motion-picture commission, etc.; to the Committee on Interstate and Foreign Commerce.

8694. Also, petition of the Woman's Home Missionary Society of Storm Lake, Iowa, and the Woman's Home Missionary Society of Rembrandt, Iowa, urging enactment of necessary legislation to regulate motion pictures by a Federal commission; to the Committee on Interstate and Foreign Commerce.

8695. By Mr. CANNON: Petition of Homer L. Inlow and other citizens of Curryville, Mo., protesting against the passage of any measures providing for the manufacture of beer, for the nullification of the Constitution, or against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8696. By Mr. CHRISTOPHERSON: Petition of citizens of Moody County, S. Dak., urging passing of Senate Bill 1079; to the Committee on Interstate and Foreign Commerce.

8697. By Mr. CULKIN: Petition of sundry citizens of the thirty-second congressional district of the State of New York (numbering 3,287 names), consisting of the counties of Oswego, Jefferson, Lewis, and Madison, protesting against

the return of beer and any legislative act that would legalize alcoholic liquors stronger than one-half of 1 per cent; to the Committee on the Judiciary.

8698. Also, petition of Rose Payne Seigle, Cornelia C. Krumbhaar, and Josephine F. Bailey, all of Cazenovia, Madison County, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

8699. By Mr. CURRY: Petition of Woman's Home Missionary Society of Oak Park Methodist Episcopal Church, Sacramento, Calif., urging enactment of law for Federal motion-picture commission; to the Committee on Interstate and Foreign Commerce.

8700. Also, petition of Woman's Home Missionary Society of Lodi, Calif., urging law to establish a Federal motion-picture commission; to the Committee on Interstate and Foreign Commerce.

8701. Also, petition of Woman's Auxiliary, Federated Church, Fair Oaks, Calif., urging law to establish Federal motion-picture commission; to the Committee on Interstate and Foreign Commerce.

8702. By Mr. GRANFIELD: Petition of Clinton E. Bell et al. in behalf of the Springfield Constitutional Liberty League, urging outright repeal of the eighteenth amendment; to the Committee on the Judiciary.

8703. By Mr. GLOVER: Petition of citizens of the sixth congressional district, Lonoke County, Ark.; to the Committee on the Judiciary.

8704. By Mr. LAMBERTSON: Petition signed by citizens of Hiawatha, Kans., protesting against the passage of any measure providing for the manufacture of beer, and against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8705. Also, petition of citizens of Everest, Kans., favoring protest against the passage of any measure providing for the manufacture of beer, and against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8706. Also, petition signed by the Woman's Home Missionary Society of the Methodist Episcopal Church, of Blue Rapids, Kans., relative to the censorship and improvement of the motion-picture industry, etc.; to the Committee on Interstate and Foreign Commerce.

8707. Also, petitions signed by citizens of Horton, Kans., protesting against the manufacture of beer, or the nullification of the Constitution, or against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8708. By Mr. LINDSAY: Petition of the Upson Co., Lockport, N. Y., opposing a duty on wood pulp; to the Committee on Ways and Means.

8709. By Mr. LUCE: Petition of members of the Woman's Home Missionary Society and Epworth League of the Methodist Episcopal Church of Newton Upper Falls, Mass., relating to motion-picture censorship; to the Committee on Interstate and Foreign Commerce.

8710. Also, petition of residents of Chestnut Hill, Newton, Mass., regarding suspension of foreign debt payments due December 15, and the readjustment of the debt question; to the Committee on Ways and Means.

8711. Also, petition of Woman's Missionary Society of Newtonville, Mass., relating to motion-picture censorship; to the Committee on Interstate and Foreign Commerce.

8712. By Mr. McCORMACK: Petition of Central Council of Irish County Associations, Boston, Mass., Thomas F. Murray, president, Andrew J. Ryan, secretary, protesting against cancellation or any further extension of the moratorium on foreign debts; to the Committee on Foreign Affairs.

8713. By Mr. MEAD: Petition of Cosmopolitan Association of Erie County, condemning practice of immigration authorities of imprisoning indefinitely aliens subject to deportation; to the Committee on Immigration and Naturalization.

8714. By Mr. MILLIGAN: Petition signed by Ellis T. Johnston and other citizens of Cameron, Mo., protesting against the passage of any measures providing for the manufacture of beer, etc.; to the Committee on the Judiciary.

8715. By Mr. MOORE of Kentucky: Petition of certain widows and dependents of deceased veterans of the World War, of Bowling Green, Ky., urging passage of act to pension them; to the Committee on World War Veterans' Legislation.

8716. By Mr. NIEDRINGHAUS: Petition of Beulah M. Layman and 629 citizens of Overland and St. Louis County, Mo., protesting against the passage of any measures providing for the manufacture of beer, for the nullification of the Constitution, or against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8717. Also, petition of 83 residents of St. Louis, sent in by the Woman's Christian Temperance Union of St. Louis, protesting against the passage of any measures providing for the manufacture of beer, for the nullification of the Constitution, or against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8718. Also, petition of Marie Glaze and 33 other citizens of St. Louis and St. Louis County, protesting against the passage of any measure providing for the manufacture of beer, for the nullification of the Constitution, or against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8719. By Mr. RICH: Petitions from Calvary Baptist Church Missionary Society, Third Street Methodist Church, and other organizations of Williamsport, Pa.; Woman's Christian Temperance Union, Woman's Home Missionary Society of the Trinity Methodist Episcopal Church, and other organizations in Clinton County and the sixteenth congressional district, protesting against the repeal of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

8720. Also, petitions of the Woman's Christian Temperance Union of Jersey Shore, Pa., Picture Rocks, Avis, Williamsport, and other organizations in the sixteenth Pennsylvania district, protesting against the repeal of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

8721. By Mr. ROBINSON: Petition signed by Mary Grace Ellis, president of the Woman's Christian Temperance Union, and about 40 other citizens of Greene, Iowa, protesting against any beer bill or the repeal or weakening of the eighteenth amendment; to the Committee on the Judiciary.

8722. Also, petition of Emma Hughes and 34 other citizens of Shell Rock, Iowa, protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

8723. Also, petition of Rev. F. A. Smith, H. E. Mann, Sunday school superintendent, and 48 members of the Sunday school of Shell Rock, Iowa, protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

8724. Also, resolution from L. E. Mark, service officer of the W. Paul Hyman Post, No. 188, American Legion, of Iowa Falls, Iowa, and signed by Ralph Harmon, adjutant of the post, urging that compensation or support of the ex-service men within and without hospitals shall not be taken away from them; to the Committee on World War Veterans' Legislation.

8725. By Mr. RUDD: Petition of Italian Chamber of Commerce in New York, favoring the repeal of the eighteenth amendment, and the enactment of legislation legalizing the alcohol contents of beverages to such limit as to include naturally fermented wines; to the Committee on Ways and Means.

8726. Also, petition of the Upson Co., Lockport, N. Y., opposing any duty on wood pulp; to the Committee on Ways and Means.

8727. Also, petition of the Corn Exchange, Buffalo, N. Y., opposing passage of the Hope bill, H. R. 12918, and the Norbeck bill, S. 4985, voluntary domestic allotment plan; to the Committee on Agriculture.

8728. By Mr. SHREVE: Petition of Woman's Christian Temperance Union of Cambridge Springs, Pa., protesting against the repeal of the eighteenth amendment or any change in the Volstead Act; to the Committee on the Judiciary.

8729. Also, petition of the Woman's Christian Temperance Union of Hartstown, Pa., protesting against the repeal of the eighteenth amendment or any change in the Volstead Act; to the Committee on the Judiciary.

8730. Also, petition of the Francis Willard Woman's Christian Temperance Union, of Erie, Pa., protesting against the repeal of the eighteenth amendment or any change in the Volstead Act; to the Committee on the Judiciary.

8731. Also, petition of the Woman's Christian Temperance Union of McKean, Pa., protesting against the repeal of the eighteenth amendment or any change in the Volstead Act; to the Committee on the Judiciary.

8732. Also, petition of the Woman's Christian Temperance Union of Millcreek, Pa., protesting against the repeal of the eighteenth amendment or any change in the Volstead Act; to the Committee on the Judiciary.

8733. By Mr. SMITH of Idaho: Petition of Mrs. O. F. Wood and 38 others, of Wilder, Idaho, protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

8734. By Mr. STULL: Petition of Morrellville Church of the Brethren Sunday School, of Johnstown, Pa., opposing repeal of the eighteenth amendment and modification of the Volstead Act; to the Committee on the Judiciary.

8735. Also, petition of Grace Evangelical Church Sunday School and Christian Endeavor Society, of Johnstown, Pa., opposing repeal of the eighteenth amendment and modification of the Volstead Act; to the Committee on the Judiciary.

8736. Also, petition of Bethany Presbyterian Church, of Johnstown, Pa., David Miller Lyle, pastor, opposing repeal of the eighteenth amendment and modification of the Volstead Act; to the Committee on the Judiciary.

8737. By Mr. TAYLOR of Colorado: Petition of the Woman's Home Missions Society of Grand Junction, Colo., favoring enactment of legislation to establish a Federal motion-picture commission for the purpose of regulating motion pictures; to the Committee on Interstate and Foreign Commerce.

8738. Also, memorial from the officials of the city of Salida, Colo., urging legislation to provide for the issuance of national currency to municipalities on the pledge of their bonds; to the Committee on Banking and Currency.

8739. By the SPEAKER: Petition of Octavia I. Mills and other citizens of Chicago, opposing any legislation favoring the return of beer; to the Committee on the Judiciary.

8740. Also, petition of citizens of Missouri, protesting against the passage of any measure providing for the manufacture of beer or any change in the prohibition law; to the Committee on the Judiciary.

## SENATE

THURSDAY, DECEMBER 8, 1932

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

O God, who art the author of peace and lover of concord, in knowledge of whom standeth our eternal life, whose service is perfect freedom, grant to us anew the consciousness of Thine indwelling and fill us with an intense and throbbing power that shall transcend our highest aspirations, a passion of love toward Thee that shall rend the mantle of our self-esteem.

We stand in a day of judgment when men's hearts fail for fear and for looking for the things that are coming on the earth; do Thou therefore gird us with the fortitude that no disaster can shake, the peace that is won through struggle, the joy that suffers, the love that abides, the panoply of Him who overcomes the world and in whose name we pray, Jesus Christ, Thy Son our Lord. Amen.

SAM G. BRATTON, a Senator from the State of New Mexico, appeared in his seat to-day.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. Fess and by

unanimous consent, the further reading was dispensed with and the Journal was approved.

### MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

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

On July 19, 1932:

S. 811. An act for the relief of Sophia A. Beers;

S. 2437. An act for the relief of the estate of Annie Lee Edgecumbe, deceased;

S. 4522. An act to authorize the conveyance to the State of Tennessee of certain land deeded to the United States for the Great Smoky Mountains National Park and not needed therefor;

S. 4574. An act to extend the provisions of the national bank act to the Virgin Islands of the United States, and for other purposes;

S. 4712. An act authorizing the sale of certain lands no longer required for public purposes in the District of Columbia;

S. 4747. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea;

S. 4912. An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933;

S. 4976. An act granting the consent of Congress to the highway department of the State of Tennessee to construct a bridge across the south fork, Forked Deer River, on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tennessee; and

S. J. Res. 206. Joint resolution making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue.

On July 21, 1932:

S. 4569. An act relating to loans to veterans on their adjusted-service certificates.

On July 22, 1932:

S. 4661. An act to repeal an act entitled "An act to legalize the incorporation of national trades-unions," approved June 29, 1886.

### CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Costigan	Kean	Schuyler
Austin	Couzens	Kendrick	Sheppard
Bailey	Cutting	Keyes	Shipstead
Bankhead	Dale	King	Shortridge
Barbour	Davis	La Follette	Smith
Barkley	Dickinson	Logan	Smoot
Bingham	Dill	Long	Stelwer
Black	Fess	McGill	Swanson
Blaine	Fletcher	McKellar	Thomas, Okla.
Borah	Frazier	McNary	Townsend
Bratton	Glass	Metcalf	Trammell
Broussard	Glenn	Moses	Tydings
Bulkley	Goldsborough	Neely	Vandenberg
Bulow	Grammer	Nye	Wagner
Byrnes	Hale	Oddie	Walcott
Capper	Harrison	Patterson	Walsh, Mass.
Caraway	Hastings	Pittman	Walsh, Mont.
Carey	Hatfield	Reed	Watson
Cohen	Hawes	Reynolds	Wheeler
Connally	Hayden	Robinson, Ark.	White
Coolidge	Hull	Robinson, Ind.	
Copeland	Johnson	Schall	

Mr. LA FOLLETTE. I wish to announce that the Senator from Iowa [Mr. BROOKHART] is detained from the Senate by illness.

Mr. SHEPPARD. I desire to announce that the senior Senator from Illinois [Mr. LEWIS] is still detained on account of illness.