P.P.F.
473

May 26, 1933.

Dear Joe:-

I thought you would be glad to see a copy of a letter which I just got from Felix Frankfurter.

KPPF 140

What he says about you and Sam I say Amen!

Very sincerely yours,

Hon. Joseph T. Robinson,
United States Senate,
Washington, D. C.

(Enclosure)

RT

P.P.F. 473

August 1, 1933.

My dear Mr. Bodman:

Thank you very much for your kindness in writing to the President in reference to the home-coming which is being arranged in honor of Senator Joseph T. Robinson tomorrow evening.

The President has already been advised of this and is sending a message for the occasion.

Very sincerely yours,

STEPHEN EARLY
Assistant Secretary to the President

em

E. J. Bodman, Esq.,
Agent of Land Bank Commissioner,
Farm Credit Administration,
St. Louis,
Missouri.

FARM CREDIT ADMINISTRATION
DIVISION OF
LAND BANK COMMISSIONER'S LOANS

OFFICE OF THE AGENT
SIXTH DISTRICT

COMPRISING THE STATES OF
ARKANSAS ILLINOIS
MISSOURI

ST. LOUIS, MO.
July 29, 1933.

add 8-1-33
em

President Franklin D. Roosevelt,
Washington, D.C.

Dear President Roosevelt:

Arkansas citizens, to the tune of ten thousand or more, will do honor to Senator Joseph T. Robinson at the ball park Wednesday night, August 2nd. Dr. Frank Vinsonhaler will be the Chairman of that meeting: His address is "Urquhart Building", Little Rock, Arkansas. Senator Robinson's Little Rock address will be "Boyle Building".

Thought perhaps you might like to have this reminder so as to have a telegram go to him on that occasion.

Yours truly,

E.J. Bodman, Agent of
Land Bank Commissioner.

EJB:MS

JOE T. ROBINSON, CHAIRMAN

United States Senate

CONFERENCE OF THE MAJORITY

THE WHITE HOUSE
MAY 30 1933
RECEIVED

May 27, 1933

P.P.F.
473

PERSONAL

My dear Mr. President:

May I acknowledge and express my thanks for your very gracious message expressing commendation of my services in the Senate.

With cordial greetings, I am

Very sincerely,

Joe T. Robinson

To The President
The White House
Washington, D. C.

JOE T. ROBINSON, CHAIRMAN

United States Senate

CONFERENCE OF THE MAJORITY

Little Rock, Arkansas
August 3, 1933

File

P.P.F.
472

To The President
Hyde Park, New York

My dear Mr. President:

The Homecoming was a great and very pleasing event. I take the liberty of enclosing newspaper clippings.

May I express my very great appreciation for your kindness in sending the very cordial message which was received by the audience with unrestrained enthusiasm.

Mrs. Robinson joins me in appreciation and the hope that you are having a pleasant vacation.

Very sincerely,

Joe. T. Robinson

THE COMMERCIAL APPEAL

MEMPHIS, TENN., THURSDAY MORNING, AUGUST 3, 1933.

When The Wonder State Paid Tribute to Joe Robinson



Photos taken of the homecoming celebration in Little Rock last night for Senator Joe T. Robinson. They were taken by "Curley" Bruner, staff photographer, and rushed to Memphis in The Commercial Appeal's own plane in 70 minutes.

Upper view shows a part of the great crowd in the grandstands in Travelers' Park. Second row, left, is Governor Futrell (right), talking with Senator Robinson. Center, Senator Pat Harrison of Mississippi shaking hands with Senator Robinson, his colleague, on the speakers' stand.

Right, Dr. Frank Vinsonhaler, general chairman of the welcome group.

Below, Senator Robinson speaking to the crowd.

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DIES UNDER WRECKED CAR

Woman Driver Burns to Death in Accident.

WAYCROSS, Ga., Aug. 2.—(UP)—Mrs. W. M. Fussell of Pensacola, Fla., was burned to death when pinned beneath a wrecked car that got beyond her control on a curve near here today.

Two young daughters of Mrs. Fus-

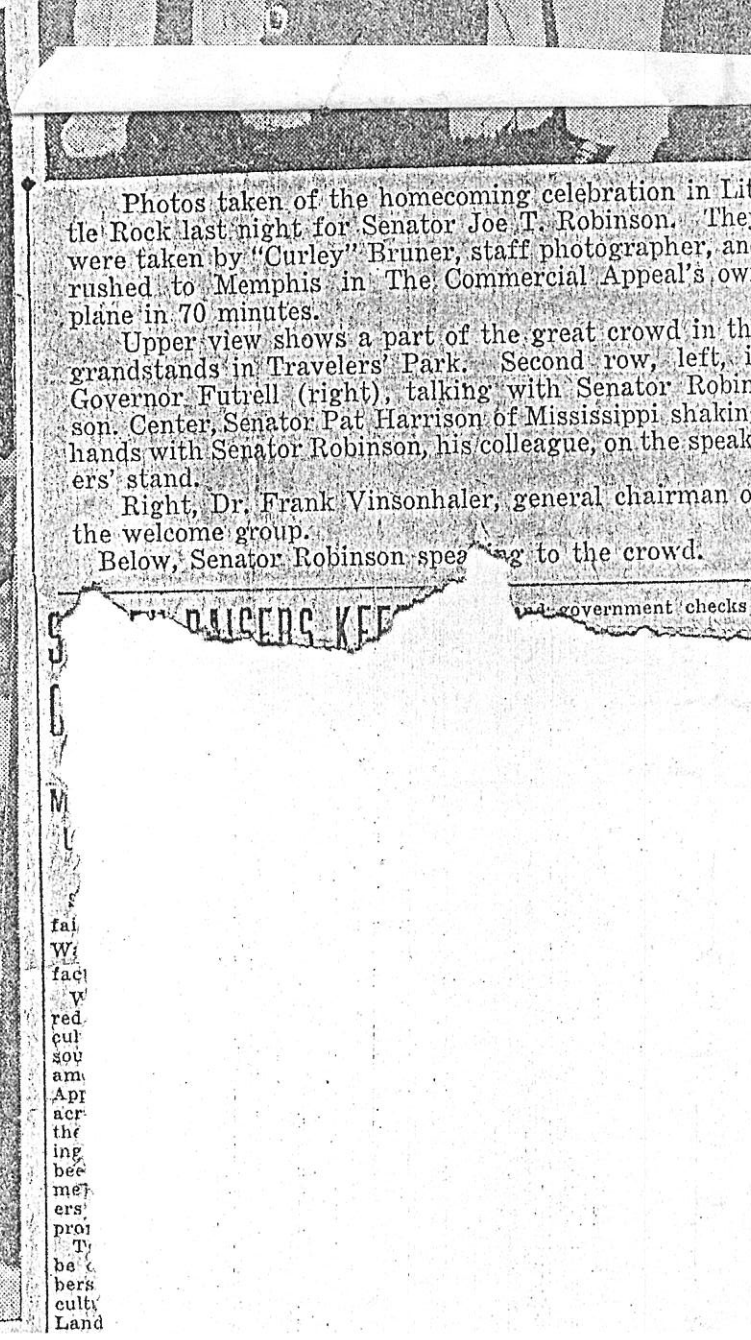
LENDAR

OFFICERS KE

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ALENDAR

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ERCIAL APPEAL

DAY MORNING, AUGUST 3, 1933.—TWENTY-FOUR PAGES * * * * * PRICE FIVE CENTS Telegraph Service by



's Job—Not A Deputy Sheriff's.

Bank Clearings

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CK MARKET FIXES RULE ON MARGINS

Must Report Weekly to Exchange Officials.

HOME LOAN RED TAPE CUT AT STATE PARLEY

Nashville Meeting Drafts Uniform Deed of Trust and Note.

SEEKS FEDERAL APPROVAL

Session in Office of Litterer, Tennessee Manager, Expected to Result in Speedier Action on Relief Here.

BY HILTON BUTLER.
The Commercial Appeal-Chicago Tribune Leased Wire.

NASHVILLE, Tenn., Aug. 2.—Efforts to slash the legal red tape surrounding home loans resulted today

ARKANSAS IN TRIBUTE TO SENATOR ROBINSON ON HIS RETURN HOME

Ten Thousand Cheer Democratic Leader In Little Rock.

HIS SAGACITY IS EXTOLLED

Senators Pat Harrison and Robert Reynolds Add Eulogies.

ROOSEVELT 'SENDS WIRE

Traveler's Field, the Baseball Park, Is Filled With Friends and Admirers From All Over the State—Telegrams Also Come From Postmaster General Farley, Senator Glass, Mr. Swanson and Others.

ROOSEVELT PAYS TRIBUTE TO JOE T.

LITTLE ROCK, Aug. 2.—President Roosevelt's message to Dr. Frank Vinsonhaler, chairman of the committee on arrangements for the Robinson celebration, praising Senator Joe T. Robinson for his leadership and ability in the Senate, follows:

"The splendid leadership of Senator Robinson of Arkansas is worthy of the special recognition being given him upon his homecoming. Much of the credit for the enactment of the remedial legislation is due to his forceful efforts. Please let me join in paying tribute to this fine American.

"FRANKLIN D. ROOSEVELT."

Pictures of Senator Robinson's reception at Little Rock last night on page 13.

BY G. O. ROBINSON, JR.,
Commercial Appeal Staff Correspondent.

LITTLE ROCK, Aug. 2.—In an unprecedented demonstration of loyalty and admiration Arkansas tonight welcomed her distinguished son, Senator Joseph T. Robinson, as more than 7,500 voices blended in a symphony of praise for the Democratic leader whose political trail led from a Lonoke County farm to one of the highest councils of his party and nation.

Traveler's Field, home of the Little Rock baseball team, where the homecoming celebration was held, was packed, and the huge crowd heard several of the senator's colleagues and high state officials extol the brilliance, political sagacity and capability of the right-hand man of President Roosevelt, in the national upper house.

Senator Robinson was introduced by Dr. J. H. Reynolds, president of Hendrix College, Conway. After expressing appreciation of the tribute paid him, the senator launched into his discussion of national issues.

Praises Roosevelt.

Senator Robinson turned his homecoming address into a song of praise for President Roosevelt's "fearless and aggressive efforts to overcome unemployment, to revive hope and to quicken the spirit of the people

14,000 Bank Code Cov Hours an

Million More Workers C R. A. As Advisors Draf Strikes in Industry.

BY THOMAS L. STOK
United Press Staff Correspond

WASHINGTON, Aug. 2.—Nationa to settle labor disputes, prevent strikes dustrial problems, growing out of the vised today by Gen. Hugh S. Johnson, a

Simultaneously, he blanketed 1,000,000 porary voluntary codes—in banks, and in the radio, rayon weaving, bedding and rayon and These codes were modified agreements of the sal involving different hours and wages.

NRA CHIEFS TO WATCH FOR CODE VIOLATIONS

Will Demand That Concerns Live Up to Agreements.

EMBLEMS DISTRIBUTED

Consumers' Cards and Posters Also Are Given Out By Local Recovery Bureau; Check-up Will Show Results So Far.

Distribution of half a million NRA insignia, emblems, stickers, consumers' pledge cards and posters to Memphis firms who are co-operating in the national recovery program began yesterday as plans were made to see that the spirit and the letter of the program are followed by the NRA firms.

The NRA insignia were received at the post office yesterday morning and clerks immediately began assembling them in units for distribution yesterday afternoon and today. Employers participating in the NRA program can obtain the insignia by presenting a signed certificate of compliance with the provisions of the recovery program at Room 106 in the north end of the first floor of the post office.

Furnished With Agreements.

The certificates of compliance were furnished employers along with the voluntary agreement blanks which thousands of them already have signed. The return of the signed certificates, certifies that the employer has the blanket recovery program in effect in his business.

Each employer presenting a certificate of compliance will be furnished a complete NRA outfit, including a door or window card, posters, window stickers, small stickers for use

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Bank Clearings.

Bank clearings so far this week are more than $781,00 above the same period last year.

They were:

Wednesday, Aug. 2	$1,660,371.00
Thus far this week	4,817,[illegible]5.5[illegible]
Same time last week	4,909,170.02
Same time last year	4,036,218.58
Same time two years ago	5,292,036.24

STOCK MARKET FIXES NEW RULE ON MARGINS

Pools Must Report Weekly to Exchange Officials.

WHITNEY ANNOUNCES PLAN

Accounts of More Than $5,000 Must Be Supported By 30 Per Cent Margin—Business Calls In Homes Banned.

By The Associated Press.

NEW YORK, Aug. 2.—The governing committee of the New York Stock Exchange promulgated new rules today fixing minimum marginal requirements, ordering members to file weekly reports of pools and joint accounts and prohibiting the solicitation of business in customers' homes.

The committee on business conduct will require a minimum margin of 30 per cent of the debit balance in each account having a debit balance of more than $5,000 and a minimum margin of 50 per cent in accounts with debit balance of $5,000 or less.

Studied Long Time.

Richard Whitney, Stock Exchange president, who announced the new regulations, said that the action "represents a development of the policy of the exchange" and that "all of these various steps have been under consideration for many months and have been adopted because we have become convinced that they are sound and in the public interest."

The exchange also moved to eliminate undesirables from the ranks of customers men through "fixing substantial minimum salaries." In announcing this, Whitney said it was "felt that this step will tend to attract men of responsibility to this important branch of the business." In order not to create unemployment, the rule does not apply to those now holding jobs, but to all changes in employment and all employees. Furthermore, the payment of expenses incurred by customers' men for the entertainment of customers has been prohibited.

The text of the new rules govern-

(Please Turn to Page Four)

GUNMEN SLAY WOMAN

Converse With Victim, Shoot Her In Back.

CHICAGO, Aug. 2.—(INS)—Police launched a widespread search today for three gunmen who shot and killed a comely well-dressed woman at a south side street corner at midnight. The woman, about 40 years old, remained unidentified.

One of the trio alighted from an automobile, strode over to the woman, and shot her in the back after a brief conversation.

Two diamond rings and the woman's purse were not touched, leading police to believe that robbery was not the motive for the murder.

HOME LOAN RED TAPE CUT AT STATE PARLEY

Nashville Meeting Drafts Uniform Deed of Trust and Note.

SEEKS FEDERAL APPROVAL

Session in Office of Litterer, Tennessee Manager, Expected to Result in Speedier Action on Relief Here.

BY HILTON BUTLER.
The Commercial Appeal-Chicago Tribune Leased Wire.

NASHVILLE, Tenn., Aug. 2.—Efforts to slash the legal red tape surrounding home loans resulted today in the drafting of a simplified and uniform deed of trust and note for use by the various state branches of the Home Bank System in Tennessee, by which a speeding up of the actual granting of the loans now becomes possible.

The work was done at a conference of attorneys for the Home Loan Bank and its district and county branches, held here today at the office of Charles H. Litterer, state manager. Charles Cornelius of Nashville, general counsel, presided.

Fletcher Cohn of Memphis, Home Loan attorney for the Western District of Tennessee, was in attendance along with representatives from all other districts and a large number of the individual counties.

Rushed to Washington.

The simplified deed of trust and note form drafted here today was rushed to Washington for approval. Pending action there, no loans can be made, but in clearing up numerous other legal tangles around the act, the attorneys in their conferences today announced that they believed "the underbrush has been cleared away and a speeding up of actual loans will be the net result."

Mr. Cohn said that Mr. Litterer gave statewide orders today for the work on appraisals to start at once.

"Get everything done as far as possible, so that when the actual loan stage approaches, we will be ready," Litterer told the attorneys.

Methods of title examination and signings of the trust deeds and notes were discussed in detail, resulting in agreements that the attorneys be-

(Please Turn to Page Four)

TODAY'S PAPER
Thursday, Aug. 3

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Praises Roosevelt.

Senator Robinson turned his homecoming address into a song of praise for President Roosevelt's "fearless and aggressive efforts to overcome unemployment, to revive hope and to quicken the spirit of the people into action."

With praise for the president, he coupled a plea for public co-operation with the administration's program, and an alert public opinion "to condemn those who become parties to any form of fraud or extravagance."

In praise of the president, Senator Robinson said:

"The speed with which he gathered the forces of reconstruction and recovery is unparalleled in human history. What matter if mistakes have been made. Experience will correct them. The important thing is to act decisively and promptly; and surely no one will say that hesitation or delay have marked a single day since the fourth of March."

"The measures resorted to for reversal of the currents of adversity have been admittedly radical and unprecedented," he declared. "Some of them—perhaps the most important—have never before been tried. But this very fact has contributed to revival of confidence and courage. Everywhere, from millions of lips, you have heard the declaration that the new administration is making fearless and aggressive efforts to overcome unemployment, to revive hope and to quicken the spirit of the people into action."

"Ample evidence exists that to date these policies and measures have not been failures," he continued. "On the contrary they have been successful and helpful to a gratifying extent. Millions have been restored to employment, commodity prices have been raised, and a better civilization is in prospect. The work has not been completed. It has only begun; every faithful hand and heart are invited to join the task, the most gigantic ever undertaken."

Earn Own Livelihood.

He warned, however, "it is wise to consider there are dangers ahead. The expenditure of hundreds of millions in federal funds for destitution relief threatens to break down the spirit of self reliance among the needy. Without revival and strengthening of that spirit, the spectre of mendicancy will stalk through the land.

"Our people in the long run must not be taught to depend on the government for subsistence nor for the means of obtaining it. They must be inspired with the determination to earn their own livelihood in ways of their own choosing. This indispen-

(Please Turn to Page Two)

FIRE CHIEF ON FIRE

Lighted Pipe Starts Blaze in "Smoke-Eater's" Pocket.

MOUNT HOLLY, N. J., Aug. 2.—(AP)—About the hottest fire John A. Throckmorton, chief of the local fire department, ever heard of was right in his own pocket.

The chief, while watching a ball game, placed a lighted pipe in his coat pocket. So absorbed was he in the game that friends had to tell him he was on fire.

ers' pledge cards and posters to Memphis firms who are co-operating in the national recovery program began yesterday as plans were made to see that the spirit and the letter of the program are followed by the NRA firms.

The NRA insignia were received at the post office yesterday morning and clerks immediately began assembling them in units for distribution yesterday afternoon and today. Employers participating in the NRA program can obtain the insignia by presenting a signed certificate of compliance with the provisions of the recovery program at Room 106 in the north end of the first floor of the post office.

Furnished With Agreements.

The certificates of compliance were furnished employers along with the voluntary agreement blanks which thousands of them already have signed. The return of the signed certificates certifies that the employer has the blanket recovery program in effect in his business.

Each employer presenting a certificate of compliance will be furnished a complete NRA outfit, including a door or window card, posters, window stickers, small stickers for use on packages, and consumers' pledge cards.

Preliminary plans for a check-back on NRA firms to see that they are complying with the recovery code in shortening hours and increasing wages and employment were discussed at a meeting yesterday between W. B. Henderson, district NRA chief; Jake Cohen, labor leader, and U. S. District Attorney McClanahan and his assistants.

Suits Can Be Filed.

Under the terms of the National Industrial Recovery Act, authority to enforce the provisions of any code, through suits in equity, after its adoption and approval by the president, is vested in the federal courts and it is made the duty of the several U. S. district attorneys to file these suits when justifiable complaints are made.

"The United States district attorney will enforce the national industrial recovery act as any other law when proper complaint is made," Mr. McClanahan said yesterday after the conference.

The government, it is known, plans to begin a check of NRA firms as soon as the initial agreements have been cleared to determine what has been accomplished by the adoption of the blanket code in the way of raising salaries, shortening hours, in-

(Please Turn to Page Four)

HAMBONE'S MEDITATIONS
By J. P. Alley.



(Copyright, 1933, by The Bell Syndicate, Inc.)

Robinson Heralds New Era

PARTY HAS KEPT THE FAITH, SENATOR SAYS

Arkansas' Distinguished Son Reviews Work of Congress.

Special to The Commercial Appeal.

LITTLE ROCK, Aug. 1.—Reviewing the work of the recent historic session of Congress, Senator Joe T. Robinson, in his speech tonight at the state-wide celebration in his honor, said that the "one thought that has been in my mind . . . has been to serve the country faithfully and particularly to advance the interests of the people of this state to whom I recognize a debt of gratitude which cannot be adequately expressed in words, and which can only be partially compensated for by the unfaltering performance of public duty."

Senator Robinson's address follows:

"Pleasing and encouraging to me are these ceremonies, and the very gracious recognition of my public services which they imply, one cannot be unmindful of the truth that personal considerations are over-shadowed and submerged by public importance of achievements during the extraordinary session which recently closed its labors.

"The session will be memorable for the speed with which measures were disposed of, the number of important subjects of legislation considered, and the unprecedented and radical character of the measures enacted.

An Honor.

"To have had a humble part in this work is indeed an honor to be shared by every member of Congress who gave the president's policies loyal and unwavering support. Many provisions of the legislation are admittedly experimental and their effectiveness depends upon so many circumstances and influences which are yet to be developed that the degree of their usefulness cannot now be determined with mathematical accuracy.

"Fully realizing that merely good intentions on the part of lawmakers are not alone sufficient, but that prudence and wisdom are required in the administration of laws in order to secure the reversal of unsatisfactory or distressing conditions, it is my purpose to make a definite statement of principles, which it is believed should be generally accepted by the public as an aid to determining the value of changes in political policy sought to be accomplished by legislation since the inauguration of President Roosevelt.

"First to a degree never before known in the political history of the country in so short time, there has been a literal and complete redemption of the platform pledges upon which the national Democratic party won its victory in November, 1932.

"While the constitution has been so amended that hereafter new administrations will begin approximately with the calendar year following the elections, the change was not authorized soon enough to permit that to occur this year, and therefore, President Roosevelt and the newly chosen Congress did not assume authority until March 4. Within the comparatively short period that has elapsed since then every pledge upon which the Democrats went to the country has been as fully redeemed as the conditions made possible.

Previous Policy.

"While previous to the Roosevelt administration, President Hoover and those associated with him in the control of the government realized the existence of disastrous conditions tending to the destruction of the happiness and prosperity of the people, they pursued a policy of indecision which proved disastrous. In the midst of the confusion and fear that everywhere prevailed, on one appeared willing to take the initiative in forcing those changes recognized as necessary to the restoration of confidence and the revival of business. Hesitation and uncertainty characterized the attitude of the government. Reliance was placed upon the hope that the depression would run its course and that the country would emerge from it without drastic changes in the existing order.

"Such a policy was foredoomed to failure. Had it been continued, the present day would have witnessed the overthrow of our institutions and the substitution of some form of dictatorship. Fortunately, the people, in the election of 1932, refused to indorse the policy of drift and inaction and voted overwhelmingly for a change.

"The new administration found the country in the throes of a financial panic. Confidence had been destroyed. Hoarding was widespread. Banks were closing their doors. Industry was paralyzed. Agriculture was prostrate. Unemployment was increasing. Starvation was threatening. Despair was universal.

"Under the circumstances, the president was justified in asking for and receiving from the Congress unprecedented powers. Without the authority conferred by the legislation enacted, the president would have been powerless to meet the situation. Had he not been given the power to act, the responsibility for failure would have been his. Had he been given the power and failed to use it, he would have been derelict in his duty.

"Fortunately, he was given the power and he used it. Under the circumstances, it was the only course open to him. Had he

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"President Roosevelt let the world know that he had no sympathy or tolerance for the Do-Nothing policy. The speed with which he gathered the forces of reconstruction and recovery is unparalleled in human history. What matter if mistakes have been made. Experience will correct them. The important thing was to act decisively and promptly; and surely no one will say that hesitation or delay have marked a single day since March 4.

"The measures resorted to for reversal of the currents of adversity have been admittedly radical and unprecedented. Some of them—perhaps the most important—have never before been tried. But this very fact has contributed to the revival of confidence and courage. Everywhere, from millions of lips, you have heard the declaration that the new administration is making fearless and aggressive efforts to overcome unemployment, to revive hope and to quicken the spirit of the people into action.

Have Not Been Failures.

"Ample evidence exists that to date these policies and measures have not been failures. On the contrary they have been successful and helpful to a gratifying extent. Millions have been restored to employment, commodity prices have been raised, and a better civilization is in prospect. The work has not been completed. It has only begun! Every faithful hand and heart are invited to join in the task, the most gigantic ever undertaken, the task with which is associated the well being and future progress of one hundred and thirty million citizens.

"It is wise to recognize that there are dangers ahead. The expenditure of hundreds of millions in federal funds for destitution relief threatens to break down the spirit of self-reliance among the needy. Without revival and strengthening of that spirit, the specter of mendicancy will stalk through the land and terrify the souls of men. Our people in the long run must not be taught to depend on the government for subsistence, nor for the means of obtaining it. They must be inspired with the determination to earn their own livelihood in ways of their own choosing. This indispensable end may be accomplished through wholehearted co-operation. It can not be obtained without it.

"The spectacle presented in recent days of wild and unrestrained speculation on the exchanges is both pitiable and contemptible. Have we forgotten shall we so quickly forget the lesson of 1929 when millions of uninformed investors, some of them sacrificing their homes and other necessities for the gambler's chance of winning quick and easy profits, precipitated a disaster which will be contemplates elimination from industry of destructive and unfair competition, increased wages and commodity prices so as to sustain wholesome living conditions and to absorb the unemployed into the industries of the nation.

"It is not surprising that the blanket code for industry and the special codes for particular forms of industry should cause uneasiness and should provoke anxiety. Nevertheless, we must go forward with the movement. There is no alternative. As trial shows necessity for changes, they can be made.

Giant Program.

"The public works program is the most gigantic construction plan ever evolved. As the government works the federal authority will advance the entire funds necessity for the completion of projects found essential to social and business welfare. With respect to state, local and other enterprises, only 30 per cent of the amount required will be contributed by the national government, except that loans may be made based on sound security for the remaining 70 per cent, or any portion thereof. The works to be carried on will be carefully studied and wisely chosen. No doubt many projects will be rejected to the disappointment of individuals and communities because the projects are not found to be self-liquidating or necessary under present conditions.

"The Reforestation Act and the public works measure are intended to take up the slack in unemployment to the number of more than 3,000,000 workers. The industrial recovery administration is looked to for such revival of business that gradually profitable work may be afforded to the remaining millions in our population who are now idle.

"In the meantime, while these various processes are getting under way, $500,000,000 is available for destitution relief in the states. The effort to avoid waste and graft may not prove entirely successful, but public opinion is relied upon to condemn those who become parties to any form of fraud or extravagance.

"The Home Owners Loan arrangement is an important feature of the recovery program. It contemplates the exchange of bonds, the interest only to be guaranteed by the government, for first mortgages on home properties. It is expected that very substantial scaling down in many instances will be arranged for the benefit of debtors. As in the cases of farm mortgage indebtedness where the obligations have accumulated in such amounts as to be out of proportion to the reasonable value of the property and where reduction will not be agreed to by the mort-

the provisions fairly required for those who suffered injury through service in the camps or on the battlefields while maintaining the nation's cause.

"No one more than the president regrets that in working out the rules and regulations pertaining to veteran allowances, errors were made, making necessary, from time to time, revisions of the rules and regulations.

"Let it be remembered that with an aggregate deficit of three billion dollars, and with a prospective shortage of five billion dollars, decisive and radical action was necessary for the working out of a program for national recovery. Through the gracious favor of the people of Arkansas and the trust reposed in me by my associates in the Senate, it has been my privilege to take part in one of the greatest tasks ever undertaken by a nantional administration since the formation of the government. The one thought that has been in my mind throughout the long and trying ordeal has been to serve the country faithfully and particularly to advance the interests of the people of this state to whom I recognize a debt of gratitude which cannot be adequately expressed in words, and which can only be partially compensated for by the unfaltering performance of my public duty."

ARKANSAS IN TRIBUTE TO SENATOR ROBINSON ON HIS RETURN HOME

(Continued From Page One)

sable end may be obtained through whole-hearted co-operation."

"The spectacle presented in recent days of wild and unrestrained speculation on the exchanges is both pitiable and contemptible," the senator said. ". . . Those who have wealth, whether great or small, will as likely lose their fortunes in speculation on the exchanges as in bets on the turn of the wheel or the dealing of the card."

"The indications are," he continued, "that radical remedies must be resorted to, to safeguard the business of the nation and the happiness of the people against foolish and unrestrained so-called transactions on the market even if it becomes necessary to outlaw contracts on margins."

Speaking of the new farm commodity price measure, Senator Rob-

Others on the platform were Senator Hammond, Mrs. W. H. Arnold, Mrs. W. J. Driver, Mrs. C. A. Fuller, Mrs. Futrell, Mrs. G. D. Glover, J. E. Martineau, Lee Miles, Grady Miller, Mrs. J. E. Miller, Mayor U. E. Moore, Mrs. Moore, Mrs. T. B. Parks, Judge T. C. Trimble, Dr. J. J. Doyne, J. N. Heiskell and W. T. Sillington.

It was not a sectional event, this homecoming. From the Ozarks to the Louisiana line and from the Mississippi River to the Oklahoma border, friends and admirers of the senator crowded into the city today, coming in cars, trains, airplanes and busses. From Eastern Arkansas, especially, an exceptionally large delegation came to add their praises to those from other sections.

That Senator Robinson, who has dedicated 39 of his 61 years to service to his state and nation, was touched by the outpouring of felicitations from the hundreds of persons who sent greetings by wire, phone and letter, was evident. Many of the congratulations were read to the immense crowd and they included messages from the president on down to the humblest citizen of the state. From all parts of the nation they came, expressing pleasure that the senator was being honored, and lauding his ability and service to his country.

Included in the messages were those from Senator Tydings of Maryland, Senator Glass of Virginia, Postmaster General Farley, Secretary of the Navy Swanson and Senator Stephens of Mississippi.

Before the introductions began the band of Henderson State Teachers College at Conway and the 153rd Infantry Band of the Arkansas National Guard were features. This phase of the celebration was also featured by a contest between an anti-aircraft battery and an airplane manned by national guards men with a giant searchlight attempting to spot the plane as it droned over the field.

Senator Harrison declared that next to "our beloved president," Senator Robinson had become the most influential political character o the nation.

"While his pre-eminent place ha been attained before the recent Con gress was organized, it was durin the last session that he rose t heights of greatness without paralle in the history of the Senate," Har rison declared. When in plannin strategy, or in consultation, or i fiery debate, Robinson had unerrin judgment and his striking persona ity dominated the situation," t senator declared.

The crowd attending the celebr



Feed Crops

The drouth out west, as well as here, has ruined most of the growing corn, oats and hay. $40.00 hay, 60c oats and $1.00 corn will eat up cotton profits quickly. You have ample time to grow your feed before average killing frost, as follows:

GENUINE

TENNESSEE GERMAN MILLET

We guarantee that no cheap western millet has been mixed with ours

Soy Beans,
VIRGINIAS, LAREDOES

Cow Peas

Irish Potatoes

Sudan Grass

Sorghum Seed

Turnip Seed

RUSSELL-HECKLE SEED CO.

SALES STORE AND OFFICE 26 S. FRONT—WHOLESALE WAREHOUSE LINDEN STATION

M E M P H I S



ROBINSON HOMECOMING CELEBRATION

TRAVELERS FIELD - LITTLE ROCK

WEDNESDAY NIGHT - AUGUST 2, 1933 - EIGHT P. M.

DR. FRANK VINSONHALER
CHAIRMAN

July 25th, 1933

473

To His Excellency,
The Honorable Franklin D. Roosevelt,
President of the United States,
Washington, D. C.

Dear Sir:

The committee on the Homecoming Celebration of the Honorable Joseph T. Robinson, Majority Leader in the Senate of the United States, desires to extend to you a most cordial invitation to be present at the Homecoming ceremonies on the 2nd day of August, at 8:00 P. M., in the city of Little Rock.

In extending this invitation we desire to express to you that this is the first opportunity the people of Arkansas have had to welcome their distinguished son after the most eventful period in the legislative history of the United States; the Majority Leader of the Democratic party and as it would seem of all parties is to receive evidence of the affection and appreciation of his fellow citizens.

Your participation on this occasion would be a source of infinite pleasure to Senator Robinson and to all the citizens of this State, coming as it does at a time when the great measures instituted by you are beginning to bear fruit and hope is again revived in the hearts of our people. It is at such a time above all others that your presence here would be welcome.

Believe me, therefore, when I assure you, that I am but conveying in this invitation the desires and hopes of all the citizens in this statesthat you will see fit to accept; with the assurances of its sincere, esteem and respect, this committee extends this invitation.

Most Cordially

SCOTT'S SAVINGS PLAN, INC.

LITTLE ROCK
ARKANSAS

July 25, 1933

Mr. James A. Farley
Mayflower Hotel
Washington, D. C.

Dear Jim:

The inclosed copy addressed to President Roosevelt, by Dr. Frank Vinsonhaler, General Chairman of Robinson Home-Coming, self-explanatory. Our friends are anxious that the President's message of congratulations will be forth coming at the proper time.

Your radio address in Memphis is still being discussed by some of my friends. In other words, they say it was full of food and certainly the voters thought so as they digested it well on July 18.

Governor Harvey Parnell is well pleased with his appointment. His many friends are grateful to you for this appointment. The Governor richly deserved it.

Best wishes

Cliff Scott

DEMOCRATIC NATIONAL COMMITTEE

NATIONAL PRESS BUILDING

WASHINGTON

JAMES A. FARLEY
CHAIRMAN

July 28, 1933.

File

Miss Le Hand,
Secretary to the President,
Nyde Park, N. Y.

Dear Miss Le Hand:

I enclose letter from Cliff Scott, to which he attaches copy of letter addressed to the President.

I would appreciate it if you would have a letter sent to Little Rock, to reach there by August 2, to be read on the occasion of the dinner to Senator Robinson.

This should be taken care of immediately.

Sincerely yours,

JAMES A. FARLEY

x 300

Enc.
JAF-JM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM -

Mr. Halsey, Secretary of the Senate, says Mr. McIntyre has a telegram which is to be sent by the President on August 2nd.

The name is misspelled. Telegram should be addressed to:

Dr. Frank Vinsonhaler (one word)
Chairman, Homecoming Reception
Committee,
Little Rock,
Arkansas.

This telegram is regarding Senator Robinson, of Arkansas. Mr. Halsey left it with Mr. McIntyre this morning.

EDWIN A. HALSEY
SECRETARY

United States Senate

Will greatly appreciate if this telegram is sent at the time indicated - August second.

EDWIN A. HALSEY.

1217-A

CLASS OF SERVICE DESIRED			
DOMESTIC		CABLE	
TELEGRAM		FULL RATE	
DAY LETTER		DEFERRED	
NIGHT MESSAGE		NIGHT LETTER	
NIGHT LETTER		WEEK END LETTER	

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

WESTERN UNION

NEWCOMB CARLTON, PRESIDENT — J. C. WILLEVER, FIRST VICE-PRESIDENT

CHECK
ACCT'G INFMN.
TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

AUGUST 2 1935

Dr. Frank Vinsonhaler

~~HON VERSON HALEY~~ Hon. Congress

CHAIRMAN ~~SENATOR JOE T ROBINSON~~ RECEPTION COMMITTEE

LITTLE ROCK ARKANSAS

THE SPLENDID LEADERSHIP OF SENATOR ROBINSON OF ARKANSAS IS WORTHY OF THE SPECIAL RECOGNITION BEING GIVEN HIM TODAY STOP MUCH OF THE CREDIT FOR THE ENACTMENT OF THE REMEDIAL LEGISLATION IS DUE TO HIS FORCEFUL EFFORTS STOP PLEASE LET ME JOIN IN PAYING TRIBUTE TO THIS FINE AMERICAN

F D R

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

1933 August

O.O.F. 473

July 28, 1933.

My dear Dr. Vinsonhaler:

The President has received your letter of July twenty-fifth and has asked me to express to you his deep appreciation of the cordial invitation which you extend to him to attend the Homecoming Celebration ceremonies which the friends of Honorable Joseph T. Robinson are arranging for August second.

He regrets very much that his engagements are such that it will not be possible for him to accept.

He does send his best wishes for a most successful celebration.

Very sincerely yours,

MARVIN H. McINTYRE
Assistant Secretary to the President

Dr. Frank Vinsonhaler,
Chairman, Robinson Homecoming Celebration,
Little Rock,
Arkansas.

CWS



ack 7/28/33 ecs

ROBINSON HOMECOMING CELEBRATION

TRAVELERS FIELD - LITTLE ROCK

WEDNESDAY NIGHT - AUGUST 2, 1933 - EIGHT P. M.

DR. FRANK VINSONHALER
CHAIRMAN

July 25th, 1933

To His Excellency,
The Honorable Franklin D. Roosevelt,
President of the United States,
Washington, D. C.

Dear Sir:

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Your participation on this occasion would be a source of infinite pleasure to Senator Robinson and to all the citizens of this State, coming as it does at a time when the great measures instituted by you are beginning to bear fruit and hope is again revived in the hearts of our people. It is at such a time above all others that your presence here would be welcome.

Believe me, therefore, when I assure you, that I am but conveying in this invitation the desires and hopes of all the citizens in this State that you will see fit to accept; with the assurances of its sincere, esteem and respect, this committee extends this invitation.

Most cordially,

Dr. Frank Vinsonhaler

FV:N

TELEGRAM

The White House
Washington

Hyde Park, New York
August 11, 1933

Honorable Joseph T. Robinson,
Little Rock,
Arkansas.

WILL BE IN WASHINGTON ALL NEXT WEEK UNTIL SATURDAY STOP HOPE MUCH YOU CAN COME TO SEE ME DURING THE WEEK STOP BEST REGARDS

PPF 473

FRANKLIN D. ROOSEVELT

STANDARD FORM NO. 14A
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM The White House
Washington

Dec 21-1933.

U. S. GOVERNMENT PRINTING OFFICE: 1933

Hon. Sen. Joseph T. Robinson
Little Rock Ark.

Merry Xmas & a happy New Year from us both

F. D. R. Jr.

PPF 473

(over)

TELEGRAM

The White House
Washington

PPF 473

R. F.

Miss LeHand asks for date Senator Joe Robinson's home-coming dinner.

M. H. M.

July 31, 1933

OK Fd Jr
4/5 Tom

Wed Aug 2, 8 pm. — Telegram from the President tied in telegraph office to be sent Wednesday - Do you want it?
K

473

January 3, ~~1933~~ 1934

Dear Joe:

J. Butler Wright is already ×895
serving as Minister to Uruguay and the Salvador post cannot be assigned as we have not recognized the present government of Salvador since the recent revolution.

Very sincerely yours,

Honorable Joe T. Robinson, ×598
United States Senate,
Washington, D. C.

dj

TELEGRAM

The White House
Washington

(WU) AB363. FD. 76 Gov't 4:00 p.m.

Little Rock, Ark., Dec. 28, 1933.

THE PRESIDENT.

Some months ago I recommended Hon. Robert Emmett Jeffrey, of Newport, Arkansas, for appointment as minister to Uruguay. No action has been taken in the matter. It is noted from press announcements that a post is available at San Salvador, and I respectfully suggest Jeffrey, who served as Minister to Uruguay throughout the eight years period, he speaks Spanish and is familiar with general conditions and problems in that part of the world.

Joe T. Robinson,
U.S.S.

Ack 12-29

P.P.F.
473

January 13, 1934.

Dear Joe:

I have only just had the opportunity to read that magnificient reply of yours to the gentleman from Indiana. My thanks and congratulations.

Very sincerely yours,

Hon. Joseph T. Robinson,
United States Senate,
Washington, D. C.

EDWIN A. HALSEY
SECRETARY

United States Senate

Dear Mac:

Please show the speech of Senator Robinson of Arkansas, to the President. I think it is splendid campaign material. If possible get the President to say a word to Senator Robinson commending him for his wonderful speech.

E. A. H.

Joe. Robinson

January 9, 1934.

Page # 191

Congressional Record

SEVENTY-THIRD CONGRESS, SECOND SESSION

Vol. 78 WASHINGTON, MONDAY, JANUARY 8, 1934 No. 4

SENATE

MONDAY, JANUARY 8, 1934

Rev. A. C. Millar, D.D., editor of the Arkansas Methodist, of Little Rock, Ark., offered the following prayer:

Our Heavenly Father, we recognize Thy power, Thy wisdom, and Thy love, and we honor and adore and love Thee. We recognize our own weakness and Thy strength, and we invoke Thy help that we may grow stronger. We recognize our shortcomings and confess our sins before Thee and pray that Thou wilt forgive and restore and cleanse and strengthen us. We recognize that Thou art God not only of men but of nations, and we thank Thee for the Nation in which we live and for Thy blessings upon it, and we pray that Thou wilt help us to be the kind of people that Thou wouldst have us be.

Bless our President and all who are in authority, and give them health and mental ability and moral strength to discharge their duties. We pray for our country, that our people may be a God-fearing and a God-loving people, that they may be loyal to their institutions and meet their obligations in the right way. We pray that our relations to all the nations of the world may be such that we may be helpful, that we may be a blessing to the world of which we are a part.

We pray for Thy special blessing, Heavenly Father, upon this body, upon its President and every Member. Grant that they may be men who love and fear Thee, help them to do right as men and as officials, and help them to recognize that their primary obligation is to Thee and their conscience. Continue to guide and bless them, and finally give us all a home with Thyself. We beg for Christ's sake. Amen.

HENRY D. HATFIELD, a Senator from the State of West Virginia, and HUBERT D. STEPHENS, a Senator from the State of Mississippi, appeared in their seats today.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of Thursday, January 4, 1934, when, on request of Mr. ROBINSON of Arkansas, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H.R. 6131) to raise revenue by taxing certain intoxicating liquors, and for other purposes, in which it requested the concurrence of the Senate.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on June 16, 1933, the President had approved and signed the following acts:

S. 813. An act to remove the limitation on the filling of the vacancy in the office of senior circuit judge for the ninth judicial circuit;

S. 815. An act to provide for the survival of certain actions in favor of the United States;

S. 1513. An act to amend Public Act No. 435 of the Seventy-second Congress, relating to sales of timber on Indian land;

S. 1561. An act providing for payment of $50 to each enrolled Chippewa Indian of the Red Lake Band of Minnesota from the timber funds standing to their credit in the Treasury of the United States;

S. 1580. An act to relieve the existing national emergency in relation to interstate railroad transportation, and to amend sections 5, 15a, and 19a of the Interstate Commerce Act, as amended; and

S. 1872. An act to extend the times for commencing and completing the construction a bridge across the French Broad River on the proposed Morristown-Newport road between Jefferson and Cooke Counties, Tenn.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Couzens	Keyes	Robinson, Ark.
Ashurst	Cutting	King	Robinson, Ind.
Austin	Davis	La Follette	Russell
Bachman	Dickinson	Lewis	Schall
Bailey	Dill	Logan	Sheppard
Bankhead	Duffy	Lonergan	Shipstead
Barbour	Erickson	Long	Smith
Barkley	Fess	McAdoo	Steiwer
Black	Fletcher	McCarran	Stephens
Bone	Frazier	McGill	Thomas, Okla.
Brown	George	McKellar	Thomas, Utah
Bulkley	Glass	McNary	Thompson
Bulow	Goldsborough	Murphy	Townsend
Byrd	Gore	Neely	Trammell
Byrnes	Hale	Norris	Tydings
Capper	Harrison	Nye	Vandenberg
Caraway	Hastings	O'Mahoney	Van Nuys
Carey	Hatch	Overton	Wagner
Clark	Hatfield	Patterson	Walcott
Connally	Hayden	Pittman	Walsh
Coolidge	Hebert	Pope	Wheeler
Copeland	Johnson	Reed	White
Costigan	Kean	Reyholds	

Mr. HEBERT. I desire to announce the necessary absence of my colleague the senior Senator from Rhode Island [Mr. METCALF], and also the Senator from South Dakota [Mr. NORBECK] and the Senator from Vermont [Mr. GIBSON].

I also wish to announce that the senior Senator from Idaho [Mr. BORAH] is unavoidably absent.

Mr. LEWIS. I wish to announce that my colleague the junior Senator from Illinois [Mr. DIETERICH] is necessarily detained from the Senate.

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

TAXATION OF ALCOHOLIC LIQUORS—HOUSE BILL REFERRED

The VICE PRESIDENT. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read by title.

The bill (H.R. 6131) to raise revenue by taxing certain intoxicating liquors, and for other purposes, was read twice by its title.

Mr. ROBINSON of Arkansas. I invite the attention of the Senator from Mississippi [Mr. HARRISON] to the bill coming over from the House, so that it may be referred.

Mr. HARRISON. I move that the bill be referred to the Committee on Finance.

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

NOBEL PEACE PRIZE

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of State, transmitting copy of a circular issued by the Nobel Committee of the Norwegian Parliament furnishing information regarding the proposals of candidates for the Nobel peace prize for the year 1934, which, with the accompanying paper, was referred to the Committee on Foreign Relations.

REPORT OF SURGEON GENERAL OF THE PUBLIC HEALTH SERVICE

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, the report of the Surgeon General of the Public Health Service for the fiscal year ended June 30, 1933, which was referred to the Committee on Finance.

ANNUAL REPORT OF THE ATTORNEY GENERAL

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, the annual report of the Department of Justice for the fiscal year ended June 30, 1933, which, with the accompanying report, was referred to the Committee on the Judiciary.

SUITS ARISING UNDER PUBLIC VESSEL ACT

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the Public Vessel Act of March 3, 1925, in which final decrees were entered, exclusive of cases on appeal, which was referred to the Committee on the Judiciary.

SUITS IN ADMIRALTY AGAINST THE UNITED STATES

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the act of March 9, 1920, 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.

ANNUAL REPORT OF ADMINISTRATOR OF VETERANS' AFFAIRS

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting, pursuant to law, a report of activities of the Veterans' Administration for the fiscal year ended June 30, 1933, which, with the accompanying report, was referred to the Committee on Finance.

COMPENSATION OF OFFICIALS OF FEDERAL RESERVE AND MEMBER BANKS

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Federal Reserve Board, transmitting in response to Senate Resolution 75, agreed to May 29, 1933, a report showing the compensation of executive officers and directors of Federal Reserve and member banks, which, with the accompanying report, was referred to the Committee on Banking and Currency.

DEVELOPMENT OF OIL AND GAS POOLS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, information concerning the approval of unit plans of development and operation for Pitchfork oil field, Park County, Wyo., which, with the accompanying report, was referred to the Committee on Public Lands and Surveys.

ANNUAL REPORT OF SHIPPING BOARD

The VICE PRESIDENT laid before the Senate a letter from the chairman, advisory committee, United States Shipping Board Bureau, transmitting, pursuant to law, the Seventeenth Annual Report of the United States Shipping Board and the United States Shipping Board Merchant Fleet Corporation for the fiscal year ended June 30, 1933, which, with the accompanying report, was referred to the Committee on Commerce.

REPORT OF COMMISSIONERS OF DISTRICT OF COLUMBIA

The VICE PRESIDENT laid before the Senate a letter from the president of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report of the official operations of the government of the District of Columbia for the fiscal year ended June 30, 1933, which, with the accompanying report, was referred to the Committee on the District of Columbia.

REPORT OF EMPLOYEES' COMPENSATION COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Employees' Compensation Commission, transmitting, pursuant to law, the report of the operations of the Commission for the fiscal year ended June 30, 1933, which, with the accompanying report, was referred to the Committee on Education and Labor.

PROPOSED CONSTITUTION AMENDMENT RELATIVE TO CHILD LABOR

The VICE PRESIDENT laid before the Senate a letter from the Governor of West Virginia, transmitting preamble and joint resolution of the Legislature of West Virginia ratifying the so-called "child-labor amendment" to the Constitution, which, with the accompanying papers, was ordered to lie on the table, as follows:

STATE OF WEST VIRGINIA,
EXECUTIVE DEPARTMENT,
Charleston, January 5, 1934.

HON. JOHN NANCE GARNER,
Vice President of the United States,
Washington, D.C.

SIR: Permit me to transmit herewith preamble and joint resolution of the Legislature of West Virginia ratifying the child-labor amendment to the Constitution of the United States.

Very respectfully,

H. G. KUMP,
Governor of West Virginia.

House Joint Resolution No. 1 (by Mr. Beacom) ratifying the child-labor amendment to the Constitution of the United States

Whereas the Sixty-eighth Congress of the United States of America, at its first session, in both Houses, by a constitutional majority of two thirds thereof, has made the following proposition to amend the Constitution of the United States of America, in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States

"*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 is hereby, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States, as provided by the Constitution:

"ARTICLE XX

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article, except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress": Therefore be it

Resolved by the Legislature of West Virginia, That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified; and be it further

Resolved, That certified copies of the foregoing preamble and resolutions be forwarded by the Governor of the State of West Virginia 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 Speaker of the House of Representatives of the United States.

We, Charles Lively, clerk of the Senate of West Virginia, and John S. Hall, clerk of the House of Delegates of West Virginia, hereby certify that the foregoing resolution was regularly adopted by the Legislature of West Virginia on December 12, 1933.

CHARLES LIVELY,
Clerk of the Senate.
JNO. S. HALL,
Clerk of the House of Delegates.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Agriculture and Forestry:

Concurrent resolution memorializing Congress to enact legislation designed to secure fair prices for agricultural products for the producer

Whereas the farmers of the Nation are becoming impoverished because the prices received on the public markets for the commodities raised by them are less than the cost of producing such commodities; and

Whereas the impoverishment of the farmers of the Nation will ultimately impoverish all the people of the Nation; and

Whereas it is imperative that legislation be enacted by Congress designed to secure fair prices for agricultural products to the producers thereof; and

Whereas dairy products constitute a substantial portion of the total products produced by the farmers of the Nation: Now, therefore, be it

Resolved by the House of Representatives of the State of Minnesota (the Senate concurring), That the Congress of the United States be, and it is hereby, urgently petitioned to speedily enact legislation which will:

(1) Provide for the immediate removal of enough butter and cheese from the public markets so as to absorb the present surplus, and distribute this surplus to people for relief use.

(2) Bring about the immediate restriction of the production of dairy substitutes, through a quota system or otherwise, and bring about the prevention of the importation of foreign oils and fats and dairy products so long as dairy prices in this country are below the cost of production.

(3) Remedy the overproduction of dairy products by the appropriation of $100,000,000 for the eradication of cattle infected with tuberculosis or Bang's disease.

(4) Provide for repayment of the moneys advanced by the Federal Government for such eradication of infected cattle through a 5 percent ad valorem tax, to be paid by the processor, as distinguished from the present plan of collecting processing taxes from processors and handlers, which are ultimately paid by and are a burden upon the producer.

(5) Provide an effective plan to prevent lands withdrawn from cotton, wheat, tobacco, corn, and other crop production under the Federal Government's plan of acreage reduction from being utilized for the pasturage and/or feed and/or forage crops for the increase of dairy production.

(6) Restrict the importation of all agricultural commodities that compete with the products of our domestic producer; be it further

Resolved, That a duly authenticated copy of this resolution be presented to the President of the United States, to the presiding officers of the Senate and the House of Representatives of the Congress of the United States, and to each of the Senators and Representatives from the State of Minnesota in the Congress of the United States.

CHAS. MUNN,
Speaker of the House of Representatives.
K. K. SOLBERG,
President of the Senate.

Passed the house of representatives the 28th day of December 1933.

HARRY L. ALLEN,
Chief Clerk, House of Representatives.

Passed the senate the 28th day of December 1933.

G. H. SPAETH,
Secretary of the Senate.

Approved January 4, 1934.

FLOYD B. OLSON,
Governor of the State of Minnesota.

Filed January 5, 1934.

MIKE HOLM,
Secretary of State of Minnesota.

The VICE PRESIDENT also laid before the Senate the following senate joint memorial of the Legislature of the State of Colorado, which was referred to the Committee on Banking and Currency:

Senate Joint Memorial 5 (by Senators Herrin, Knous, Sanders, Peiffer, Ehrhart, Smith, Hill, Rumbaugh, Houston, Nelson, Manly, Unfug, Affolter)

Whereas the bimetallic monetary system at the ratio of 15 parts of silver to 1 part of gold was in 1792, through the mutual direction and with the approval of Thomas Jefferson and Alexander Hamilton, established by act of Congress to consist of gold and silver coins of the weights and dimensions as in said act described; and

Whereas said act functioned without amendment from 1792 to 1832, when the ratio was changed to 16 parts of silver to 1 of gold, and so remained thereafter until 1873, the system functioning without complaint or need of change meanwhile; and

Whereas the Congress of that year without warning deprived silver of its function of legal tender beyond the sum and amount of $5 in any one transaction; and

Whereas since said time the Congress has confined the use of silver to subsidiary silver coinage, and to the purchase of limited amounts only for standard dollars, with the net effect that silver is degraded to the status of a commodity; and

Whereas the people have suffered the shrinking of values of all forms of property, save interest-drawing securities and obligations, and other contracts expressly payable in gold or its equivalent, thus largely increasing the burden of their liabilities; and

Whereas the world's stock of gold never was sufficient to bear the burden of liability imposed upon it since it became the single standard of all values, which burden has persistently and swiftly grown ever since the bimetallic standard was limited and then abandoned; and

Whereas the nations of the world or most of them have been forced by their crushing burdens of debt and consequent taxation to abandon their respective gold standards; and all gold wherever found or suspected has been retired from circulation, locked in vaults, or otherwise made useless to mankind, either for use as money or for anything else; and

Whereas silver, the only other metal whichever did or even can function as money of redemption, is doing the work of the world under every imaginable handicap that monometalism can create, and it is apparent that it cannot succeed unless and until it is restored to its ancient and time-honored position of unlimited partnership with gold in the world currencies and exchanges; and

Whereas this restoration is the only possible alternative to a widespread and uncontrollable inflation of currency by paper issues of so-called "money", no greater calamity than which can befall the people of any country: Now, therefor, be it

Resolved by the Senate of the Twenty-ninth General Assembly of the State of Colorado in extraordinary session assembled (the House of Representatives concurring herein), That the Congress of the United States be urged and requested at its session beginning on Wednesday, January 3, 1934, or as soon as possible thereafter, to take up, put through its necessary stages, and enact Senate 70 (by Senator WHEELER), restoring to the people of the United States the bimetallic monetary system of coinage as established by the act of Congress of 1832, and repealed by the act of Congress of 1873.

Resolved further, That copies of this resolution be certified to our Senators and Members of Congress, and to the President of the United States, with the request that they and each of them do all in their power individually and collectively to effectuate its object and purposes.

Resolved further, That copies of this resolution duly certified be forwarded to the Secretary of the United States Senate and the Clerk of the House of Representatives, respectively, at Washington, with the request that they be read into the journals of the said bodies.

We hereby certify that the above memorial is a correct and true copy of original Senate Joint Memorial No. 5.

RAY H. TALBOT,
President of the Senate.
WM. B. MCLEAN,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, expressing confidence in the monetary policy of the President of the United States and assuring him of Wisconsin's continued whole-hearted support of his program for national recovery, which was ordered to lie on the table.

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

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, urging the President of the United States and the national administration to take immediate action on the dairy situation, which was referred to the Committee on Agriculture and Forestry.

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

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, memorializing Congress to enact legislation providing for a minimum living wage in the various industries, which was referred to the Committee on Education and Labor.

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

The VICE PRESIDENT also laid before the Senate resolutions adopted by the Minnesota Junior Taxpayers Association, Minneapolis, Minn., favoring the appropriation of $1,000,000,000 annually for the next 3 years to maintain essential educational services for the children of the Nation, which were referred to the Committee on Education and Labor.

He also laid before the Senate resolutions adopted by the Common Council of the City of Manitowoc, Wis., favoring the passage of legislation to extend the period of operation of the F.C.W.A. beyond the period already fixed, indefinitely, and until the recovery of industry and the economic welfare of the people render its operation no longer necessary, which was referred to the Committee on Finance.

He also laid before the Senate petitions of Miss Mildred Baker and Mrs. Ella C. Baker, of Greenwood; of Blanton P. Theus and sundry other citizens of Arcadia; and J. B. Herold and other citizens of Shreveport, all in the State of Louisiana, praying for the expulsion of Hon. HUEY P. LONG and Hon. JOHN H. OVERTON from the Senate, which were referred to the Committee on the Judiciary.

Mr. DUFFY presented the following joint resolution of the Legislature of the State of Wisconsin, which was ordered to lie on the table:

STATE OF WISCONSIN.

Joint resolution expressing confidence in the monetary policy of the President of the United States and assuring him of Wisconsin's continued whole-hearted support of his program for national recovery

Whereas President Roosevelt is a firm believer in a sound currency and has definitely committed himself to that principle both before and since taking his office; and

Whereas the national administration's monetary policies are an integral and indispensable part of the program for national recovery, and were developed and put into operation only after the most careful and thorough study as one of the means of attaining recovery; and

Whereas the principal objective of such monetary policies so far has been and now is to so manage the currency as to secure a rise in commodity prices up to the average price level of 1926 and, upon attaining this, to stabilize the dollar and bring about a permanently stable currency fair alike to creditors, debtors, and wage earners; and

Whereas a monetary policy involving uncontrolled inflation should be discouraged and avoided in view of the disastrous experiences of some of the European countries which adopted that policy; and

Whereas the great majority of the American people are wholeheartedly behind the President in his recovery program, because they believe that the President is making and will continue to make every reasonable effort to completely lift and permanently keep this Nation out of economic depression: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature expresses its confidence in and support of President Roosevelt's monetary policy as a part of his program for national recovery and assures the President that this State and its people will continue to cooperate whole-heartedly with the national administration in that program; be it further

Resolved, That properly attested copies of this resolution be sent to President Roosevelt, to both Houses of the Congress of the United States, and to each Wisconsin Member thereof.

THOMAS J. O'MALLEY,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CORNELIUS YOUNG,
Speaker of the Assembly.
JOHN J. SLOCUM,
Chief Clerk of the Assembly.

Mr. DUFFY also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

STATE OF WISCONSIN.

Joint resolution urging the President of the United States and the national administration to take immediate action on the dairy situation

Whereas Wisconsin is the leading dairy State in the Union; and

Whereas economic recovery in Wisconsin is dependent upon the rehabilitation of the dairy industry; and

Whereas in the program for national recovery the dairy industry has not been benefited as have other industries: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the legislature respectfully requests the President of the United States and the national administration to take immediate action for the rehabilitation of the dairy industry in Wisconsin and other States by establishing an emergency dairy department or directing the Federal Farm Board to give immediate attention to the dairy problems or removing the obstacles that prevent the dairy marketing corporation from carrying out the purposes for which it is created or taking such other emergency action as will have for its object the stabilization and rehabilitation of the dairy industry; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to Hon. Henry A. Wallace, Secretary of Agriculture, and to each Representative and United States Senator from Wisconsin in the Congress of the United States.

THOMAS J. O'MALLEY,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
C. T. YOUNG,
Speaker of the Assembly.
JOHN J. SLOCUM,
Chief Clerk of the Assembly.

Mr. DUFFY also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Education and Labor:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact legislation providing for a minimum living wage in the various industries

Whereas the economic depression has taught this Nation and its people the necessity of maintaining the purchasing power of the mass of the American people; and

Whereas the profits in industry from 1922 to 1929 increased by 91 percent, while for the same period wages in industry increased but 19 percent; and

Whereas unless this condition is remedied any recovery accomplished would be only temporary and would be followed by another depression; and

Whereas the wide spread during this period of supposed prosperity between wage increase and profit increase in industry indicates the necessity for a minimum living wage for industrial workers: Now, therefore be it

Resolved by the senate (the assembly concurring), That this legislature respectfully memorializes the Congress of the United States to enact legislation providing for a minimum living wage of at least $100 per month for workers in the various industries who are the heads of families or have dependents, to insure and stabilize the purchasing power in our industrial population; be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

C. T. YOUNG,
Speaker of the Assembly.
JOHN J. SLOCUM,
Chief Clerk of the Assembly.
THOMAS J. O'MALLEY,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.

Mr. BARBOUR presented a resolution adopted by the mayor and Common Council of the City of North Wildwood, N.J., protesting against the proposed transfer of the Coast Guard from the Treasury Department to the Navy Department, which was referred to the Committee on Commerce.

Mr. LA FOLLETTE presented a joint resolution of the Legislature of the State of Wisconsin, expressing confidence in the monetary policy of the President of the United States and assuring him of Wisconsin's continued wholehearted support of his program for national recovery, which was ordered to lie on the table.

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

Mr. LA FOLLETTE also presented a joint resolution of the Legislature of the State of Wisconsin, urging the President of the United States and the national administration to take immediate action on the dairy situation, which was referred to the Committee on Agriculture and Forestry.

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

Mr. LA FOLLETTE also presented a joint resolution of the Legislature of the State of Wisconsin, memorializing Congress to enact legislation providing for a minimum living wage in the various industries, which was referred to the Committee on Education and Labor.

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

RELIEF FROM AUTOMOBILE TAXATION

Mr. VANDENBERG. Mr. President, the Detroit Board of Commerce has prepared a very persuasive and very conclusive memorial praying for relief from the accumulated burdens of indefensible automobile taxation. I ask that it be printed in the RECORD and appropriately referred.

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

STATEMENT AND RESOLUTION BY DETROIT BOARD OF COMMERCE ADVOCATING RELIEF FROM AUTOMOBILE TAXATION AND ENCOURAGEMENT OF MOTOR-CAR OWNERSHIP

The committee on national legislation of the Detroit Board of Commerce has studied the effect of taxation on industrial recovery and has developed the following facts in respect to the automobile industry:

1. On January 1, 1933, there were 24,136,879 motor vehicles registered in the United States. Of these, 7,297,000, or 30.23 percent, were over 7 years old.

2. The replacement of these old cars would furnish a much desired stimulus to industrial activity throughout the country because—

(a) Of the total United States consumption of several basic commodities, the automobile industry consumed the following percentages during 1932: Cotton, 7 percent; tin, 10 percent; copper, 11 percent; lumber, 14 percent; mohair, 14 percent; steel, 17 percent; aluminum, 23 percent; nickel, 28 percent; lead, 33 percent; plate glass, 43 percent; unholstery leather, 53 percent; malleable iron, 54 percent; rubber, 80 percent; gasoline, 85 percent.

(b) Raw material for automobile construction comes from every State in the Union. During 1932 the automobile industry and allied industries shipped 2,543,833 carloads by rail, and paid a freight bill of $325,000,000. This tonnage was 34 percent of rail shipments of manufactured goods, and 14 percent of the total rail tonnage hauled by American railroads.

(c) In 1932 there were 3,026,000 workers engaged either full or part time in the manufacture, sale, operation, and maintenance of motor vehicles. In addition there were 875,000 engaged in the production and transportation of raw materials used in the construction of motor vehicles. A total of 3,901,800 depended upon the automobile industry for a livelihood. This number is approximately 10 percent of the total number normally employed in all industries in the United States.

3. The trend of motor-car ownership is downward. In 1932 registrations in the United States decreased 6½ percent under 1931, while registrations outside the United States increased 2½ percent.

4. In 1929 there were produced in this country 5,359,000 passenger cars and trucks, the wholesale value of which was $3,413,148,206. In 1932 the production was only 1,370,678 vehicles, valued at $755,927,760.

5. The decrease in production of motor vehicles and hence the increase in unemployment of workers depending upon the automobile industry is largely due to the following factors in the taxation systems of the Federal Government and the several States:

(a) The ratio of State motor-vehicle special taxes to total State tax receipts range from 14.2 percent in Delaware to 75.2 percent in Florida. The average is 38 percent.

(b) The Federal Government singles out a few so-called "luxury" industries for special taxation treatment. The automobile industry is included, notwithstanding the fact that it produces a necessity and the only means of conveyance in most urban communities and many rural districts. The automobile industry pays the following special excise taxes to the Federal Government:

Passenger cars, 3 percent; trucks, 2 percent; parts and accessories, 2 percent; gasoline, 1 cent per gallon; lubricating oil, 4 cents per gallon; tires, 2½ cents per pound; inner tubes, 4 cents per pound.

(c) The aggregate of special Federal, State, and municipal automobile taxes has increased 300 percent since 1919, and in 1932 amounted to $1,076,021,597, or 10.7 percent of all Federal, State, and municipal taxes collected. The Federal Government collected $470,678,282, or 43.7 percent of all such special taxes. This amount was $320,093,837 greater than the wholesale value of the 1932 production of the entire industry.

(d) The average life of a motor vehicle is 7⅓ years. At the present rate of taxation it will, during its life, pay more in taxes than the manufacturer receives on the initial sale. The elimination of recurring taxes on gasoline, oil, and tires would encourage greater use of automobiles and consequently broaden the replacement market.

(e) In States having a gasoline tax of 2 cents the registration of motor vehicles in 1932 was 4.5 percent less than in 1931. In States having a 6-cent gas tax the decrease in registration was 13.5 percent, exactly three times as great. Taxation is a dominant deterrent to motor-car ownership.

RESOLUTION

Whereas the declaration of policy as stated in title I, section 1 of the Industrial Recovery Act is as follows: "* * * It is hereby declared to be the policy of Congress to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; * * * to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production, * * * to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment * * *", and

Whereas the automobile industry, one of the Nation's largest employers of labor and purchasers of raw material, is so overwhelmed by the burden of special and discriminatory taxation that the objects and purposes of the Industrial Recovery Act are apt to be seriously impaired: Therefore be it

Resolved, That Congress should be impressed with the need for legislation relieving the automobile owner of this unfair burden of Federal taxation, the removal of which would create a vastly increased market for automobiles and the many other industries producing and transporting raw material used for manufacturing motor vehicles, thereby creating increased employment and increased purchasing power which would be reflected in all industry and commerce throughout the Nation; and be it further

Resolved, That Congress should take appropriate action toward relief without delay, thereby encouraging the several States to do likewise, for the general welfare of the Nation, which, in the final analysis is one cohesive economic unit.

Respectfully submitted.

E. S. EVANS,
Chairman National Legislative Committee.

Adopted by board of directors, Detroit Board of Commerce, January 4, 1934.

HARVEY CAMPBELL,
Vice President-Secretary.

PROTEST AGAINST RECOGNITION OF SOVIET UNION

Mr. SCHALL. Mr. President, I ask leave to print in the RECORD a memorial signed by 35 residents of the county of Houston, Minn., and ask that it may be referred to the Foreign Relations Committee.

There being no objection, the memorial was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, without the signatures after the first one, as follows:

HOUSTON, MINN, *December 1933.*

To Hon. THOMAS D. SCHALL,
Senator from Minnesota, Washington, D.C.

DEAR SENATOR: We, the undersigned citizens of the United States of America and residents of the county of Houston, State of Minnesota, beg to make known to you how we stand behind you and what are our own convictions and feelings, as you will see from the following statement. We also beg that you would, if in any way you can, make known and voice them in protest, and that you would do anything in your power to help make the situation sound, and not dangerous, to the welfare of our beloved America. Thus we sincerely implore of you to do.

Statement: We exceedingly regret that His Excellency the President, Mr. Roosevelt, has seen fit to recognize the Union of Socialist Soviet Republics as a fellow government; and we believe that in so doing he has made for the American people "A covenant with death and an agreement with hell."

We, as honest, God-fearing, patriotic, true American citizens, loving righteousness and soundness in doctrine and practice, are opposed to this recognition of Soviet Russia because:

1. They are avowedly atheistic.

2. They are avowedly opposed to our American system and purpose to supplant it with their own Bolshevistic one, regardless of what their representative has said to the contrary.

3. They are dangerous, their word, covenant, promises mere scraps.

4. We believe in a Christian democracy as given and assured us by our fathers—Washington, Jefferson, and Lincoln—and therefore we regret the present trend and turning to an unsound liberalism and communism in our beloved Nation and Government that ought to support those fundamentals—"Of the people, by the people, etc."—the democratic individualism and the traditional American ideals as taught by such of our fathers as those just mentioned.

Respectfully yours,

SIGFRID B. MOSBY (and others).

EMPLOYMENT OF ALIENS IN THE UNITED STATES

Mr. SCHALL. Mr. President, I ask to have printed in the RECORD and referred to the Committee on Immigration a letter from the United Organization of the United States, which is self-explanatory.

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

EAST CHICAGO, IND., *January 3, 1934.*

Hon. THOMAS D. SCHALL,
United States Senate, Washington, D.C.

HONORABLE SIR: You have done wonders during the past session of Congress to the millions suffering from the past depression, but there is one grave question you have overlooked, and industries are taking advantage of this oversight by putting men to work and laying off the aliens, and they feel real patriotic about it. What are you going to do about this new unemployment situation that is bound to arise from such patriotism?

Of the 18,000 aliens in Lake County alone, I find upon investigation that 72 percent own their own homes and pay taxes, 80 percent have paid personal or poll tax (this tax in most States is the price paid to vote or the privilege to vote), 38 percent own automobiles, 59 percent own radios, 100 percent enjoy and indulge in hard taxable liquors. They are all religious and do much toward the building of churches and schools; are all well covered by life insurance, and subscribe to all community chests and other relief organizations.

There are some 2 millions in the United States at the present time. We have no system of control over them, they come and go as they please, enjoying all and every privilege a citizen does, except the right to vote, and in some cases even that.

Ninety-two percent of these aliens come from the central countries of Europe. They have long learned that the most important

part of their life's work is to possess a home. To accomplish this, they had to spend their every minute at hard work for the lowest wages to be had, to pay for their homes. They could not spare the time to learn the language, the health and well-being of their families was ever important above all.

These aliens have done more for the success of our Nation than have the so-called "Americans" from the English-speaking countries. The American banks, without these economic people who know how to save, would have been out of existence long before the depression, had these people been like the so-called English-speaking people who have never learned the value of a dollar. During the depression, had the banks stayed open, you would not have a single one of them on relief, even at that a very small percent of them went on relief. They are proud and hate charity.

There are in the United States people who become citizens by birth, who, if asked the simplest question that is asked of these aliens, could not answer; yet they are allowed to vote. Are those questions what make a citizen, or is it their actual worth to the country by deed or action that is the real requirement?

Then, the worst menace due to this foolishness is the fact that all these aliens forced out of work will lose their homes, their life's earning, everything that is dear to them. They will naturally turn to radicalism of the worst type. Relief organizations could not take care of them; the taxes caused by relief are so great now that they cannot be paid.

What are we going to do with the children of these aliens who are American-born children if the parents are forced from the right to earn a living for them? Are you going to send American-born children with their parents to other countries to be raised?

Who was it who kept the home fires burning and helped capital earn enormous sums during the war? Does the American Government only want them for a gain and, when the gain is not to be had, then force them out? That sounds like a golddigger; everything is well as long as they have a dime; after stripping them of everything they ever had, then throw them out. I do not think that is what our Government wants; we preach a doctrine of fairness, yet we do not live up to it.

Think this over seriously; it is vital to the success of the country. If you want to consider selfish motive, you can have the 2,000,000 votes, also another 5,000,000 who are interested to see that these people get justice, also the 2,000,000 children who shall become of age the coming year.

Allow me to hear from you regarding this; also, would like to have your influence to aid me in getting the privilege to explain my bill, as attached, to the Congress personally, through our Congressman WILLIAM T. SCHULTE'S permission.

Respectfully,

THE UNITED ORGANIZATION OF THE UNITED STATES,
THOS. KOCHIS, *President*.

P.S.—We are organizing the aliens all over the United States of America in this movement, and we must have your support if you want ours, who are in sympathy with the aliens.

(The bill is to be known as the "Kochis emergency naturalization bill"

Be it enacted, etc., That any alien entering the United States of America, on declaring his intention of staying, the sufficient proof of intention and a passbook to be given to the entering containing a recent photo fingerprint with description; also showing any marks or scars, if any; name of ship on which the person arrived, with the date of arrival; on leaving port of entry destination must be shown in passbook. On arriving at destination stamp of city clerk must be stamped in passbook, also record taken of said alien, with address; if person goes to another city, said person must record his intention with city clerk and destination to be shown. Every time there is a change of address it must be recorded with city clerk, also in the passbook. Must have at least $500 insurance at all times.

When 5 years have passed, alien must either become naturalized or leave the country. During the 5 years the alien is subject to all the taxes required but is not allowed to own property only in trust until after the 5 years. The fees and cost of naturalization shall be $25.

Requirements for naturalization: Must furnish a clean record of reference by two reputable people who have known said person for 5 years, with a complete record of places and kind of employment during the 5 years; record of all organizations and clubs said person has belonged to, with signatures of president and secretary; must attend a class teaching the principles of the United States of America Government at least 60 days, showing credits not less than 75 percent; and dependents.

SEC. 2. Any alien in the United States at the time of the passing of this bill less than 5 years must register with the city clerk in the city of residence; obtain a passbook with present or recent picture, description, and fingerprints, showing also the name of ship and date of arrival, also port of entry; must record all changes of address with city clerk, and must also have at least $500 insurance. Failure to register 60 days after the passing of this bill, said person shall be immediately deported. Any person harboring said person without passbook is fined $100; any industry employing an alien without a passbook is fined $500 for each offense. When an alien has been in the United States of America 5 years from date of entry, he must become naturalized within a year; if not, is subject for immediate deportation. Fees and costs to be $25. Naturalization requirements same as section 1.

SEC. 3. As a special emergency for a period of 1 year from day of the passage of this bill, any alien who has been in the United States for 5 years or more, who has paid taxes, either personal or real, or those who have owned property and lost it due to depression, or owns property at the present time, is allowed to apply for full citizen's rights without fees or costs by filing of intention showing a record of the places by residence since entering the United States, showing date of entry, also place and date of entry, record of property, stocks or bonds owned, conditions of same, at least one tax receipt, record of all organizations belonged to, record of insurance, names, ages, and places of births of all children and dependents, names of business people dealt with, signatures of two persons who will furnish sufficient proof of facts of alien's qualification to become a citizen.

SEC. 4. Any alien who has been in the United States of America 5 years or more and does not own property or never paid taxes must pay a fee of $3. Requirements same as section 3.

SEC. 5. When the year has passed from date of passage of this bill all these aliens who have been in the United States of America 5 years or more and did not apply when told within the years forfeit all rights to be a resident of the United States of America and is subject to deportation. Any employer giving employment to an alien who has been in the United States of America over 5 years and did not apply for citizenship is liable to a fine of $1,000.

REPORT OF THE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1975) to provide for loans to farmers for crop production and harvesting during the year 1934, and for other purposes, reported it with an amendment and submitted a report (no. 148) thereon.

BILLS INTRODUCED

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

By Mr. TRAMMELL:

A bill (S. 2065) to provide for increasing the capital of the Home Owners' Loan Corporation for the purpose of making cash advances to home owners, and for other purposes; to the Committee on Banking and Currency.

By Mr. COSTIGAN:

A bill (S. 2066) to include sugar beets and sugarcane as basic agricultural commodities under the Agricultural Adjustment Act; to the Committee on Agriculture and Forestry.

By Mr. OVERTON:

A bill (S. 2067) authorizing payment to the Red River, Atchafalaya, and Bayou Boeuf Levee District for acquiring certain levee rights of way for flood control work; to the Committee on Commerce.

By Mr. DUFFY:

A bill (S. 2068) to increase the maximum limit of loans by Federal land banks in certain cases; to the Committee on Banking and Currency.

By Mr. McKELLAR:

A bill (S. 2069) granting an increase of pension to Julius Buxbaum (with accompanying papers); to the Committee on Pensions.

A bill (S. 2070) to amend subdivision no. 2 of paragraph (a) of section 203 of the National Industrial Recovery Act; and

A bill (S. 2071) to amend subdivision no. 2 of paragraph (a) of section 203 of the National Industrial Recovery Act; to the Committee on Banking and Currency.

A bill (S. 2072) for the relief of Dr. Thomas J. W. Brown; to the Committee on Civil Service.

A bill (S. 2073) for the relief of Thomas Green;

A bill (S. 2074) for the relief of James R. Mansfield; and

A bill (S. 2075) for the relief of John J. Tatum; to the Committee on Claims.

By Mr. ASHURST:

A bill (S. 2076) for the relief of George Stoll and the heirs of Charles P. Regan, Marshall Turley, Edward Lannigan, James Manley, and John Hunter (with accompanying papers); to the Committee on Claims.

(By request.) A bill (S. 2077) regulating procedure in criminal cases in the courts of the United States;

(By request.) A bill (S. 2078) to provide, in case of the disability of senior circuit judges, for the exercise of their powers and the performance of their duties by the other circuit judges;

(By request.) A bill (S. 2079) to amend the act providing for the annual conference of senior circuit judges;

(By request.) A bill (S. 2080) to provide punishment for killing or assaulting Federal officers;

(By request.) A bill (S. 2081) to amend a part of section 1 of the act of May 27, 1908, chapter 200, as amended (U.S.C., title 28, sec 592);

(By request.) A bill (S. 2082) to amend the first sentence of section 8 of the act of May 28, 1896, chapter 252, relative to the appointment of assistant United States attorneys; and

(By request.) A bill (S. 2083) to amend section 126 of the Judicial Code, as amended; to the Committee on the Judiciary.

By Mr. JOHNSON:

A bill (S. 2084) granting and confirming to the East Bay Municipal District, a municipal utility district of the State of California and a body corporate and politic of said State, and a political subdivision thereof, certain lands, and for other purposes; to the Committee on Public Lands and Surveys.

A bill (S. 2085) to amend the Emergency Relief and Construction Act of 1932, and for other purposes; to the Committee on Banking and Currency.

By Mr. McGILL:

A bill (S. 2086) granting a pension to Fred B. Johnson; to the Committee on Pensions.

A bill (S. 2087) for the relief of Leo Glenn Cress; and

A bill (S. 2088) for the relief of Merle (Mearl) Arthur Lewis; to the Committee on Naval Affairs.

By Mr. KING:

A bill (S. 2089) to amend the Code of Laws for the District of Columbia, approved March 3, 1901, as amended (D.C. Code, title 5, ch. 3), relating to building and loan associations; to the Committee on the District of Columbia.

A bill (S. 2090) authorizing and directing the Secretary of the Interior to exchange Government lands for State lands; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Oklahoma:

A bill (S. 2091) for the relief of Guy Swan; to the Committee on Naval Affairs.

A bill (S. 2092) granting a pension to Eva Diven; to the Committee on Pensions.

A bill (S. 2093) for the relief of Walter P. Hagan;

A bill (S. 2094) for the relief of Thomas L. Cook; and

A bill (S. 2095) for the relief of William G. Phelps; to the Committee on Military Affairs.

By Mr. HAYDEN:

A bill (S. 2096) equalizing annual leave of employees of the Department of Agriculture stationed outside the continental limits of the United States; to the Committee on Agriculture and Forestry.

A bill (S. 2097) authorizing the issuing of certificates of arrival to persons born in the United States who are now aliens; to the Committee on Immigration.

A bill (S. 2098) to authorize the sale of land on the Camp McDowell Indian Reservation to the city of Phoenix, Ariz., for use in connection with its water-supply development, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 2099) for the relief of Julius McKindry Henderson; and

A bill (S. 2100) to provide for the commemoration of the Battle of Big Dry Wash, in the State of Arizona; to the Committee on Military Affairs.

A bill (S. 2101) to prohibit the sending of unsolicited merchandise through the mails; and

A bill (S. 2102) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes, approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. CAPPER:

A bill (S. 2103) to authorize the Reconstruction Finance Corporation to make loans to aid in the operation and maintenance of institutions for religious instruction and worship, and for other purposes; to the Committee on Banking and Currency.

By Mr. NORRIS:

A bill (S. 2104) for the relief of George W. Baker; to the Committee on Military Affairs.

A bill (S. 2105) granting a pension to Frank Swartz; to the Committee on Pensions.

By Mr. PITTMAN:

A bill (S. 2106) authorizing the granting of public lands to States and political subdivisions for airport purposes; to the Committee on Public Lands and Surveys.

By Mr. TYDINGS:

A bill (S. 2107) to repeal Federal liquor prohibition laws to the extent they are in force in Puerto Rico; to the Committee on Territories and Insular Affairs.

By Mr. STEIWER:

A bill (S. 2108) relating to loans by the Reconstruction Finance Corporation in connection with agricultural-improvement projects; to the Committee on Agriculture and Forestry.

A bill (S. 2109) granting a pension to Alfred L. Chapman;

A bill (S. 2110) granting a pension to Susan F. Cates; and

A bill (S. 2111) granting a pension to Robert A. Masterson (with accompanying papers); to the Committee on Pensions.

By Mr. BLACK:

A bill (S. 2112) for the relief of W. H. Key and the estate of James R. Wilson; to the Committee on Claims.

By Mr. SHIPSTEAD:

A bill (S. 2113) for the relief of John W. Sweger; to the Committee on Claims.

A bill (S. 2114) to authorize the sale and conveyance by the Department of the Interior to C. M. Hanson, of Bricelyn, Minn., or his heirs, successors, or assigns, of approximately one and three-quarters acres of lot 2, section 33, township 43 north, range 27 west, in the county of Mille Lacs, Minn.; to the Committee on Indian Affairs.

FOUR-POINT PROGRAM OF AMERICAN LEGION

Mr. REED. Mr. President, in connection with a bill which I shall introduce I ask unanimous consent to proceed for 2 minutes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none.

Mr. REED. At the request of the national officials of the American Legion I am introducing a bill to carry out the so-called "4-point program" of the Legion. I think it is appropriate to say that at no time since the Legion was organized has it shown such a moderation in its requests, such an appreciation of the needs of the country, in spite of the fact that the compensation of disabled veterans under the Economy Act has been very drastically reduced and in spite of the fact that the reduced compensation they are receiving has also diminished in purchasing power through the changes in the value of our money.

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

The bill (S. 2115) to amend Public, No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and Public, No. 78, Seventy-third Congress, entitled "An act making appropriations for the Executive offices and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes", was read twice by its title and referred to the Committee on Finance.

TREATMENT OF THE JEWS IN GERMANY

Mr. TYDINGS. I send to the desk a resolution dealing with the persecution of the Jews in another country. I will not read the resolution now, nor ask that it be read, but I ask that it be referred to the Committee on Foreign Relations, with the request to the chairman that it be reported as soon as feasible.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. I did not understand the nature of the request of the Senator from Maryland.

Mr. TYDINGS. I have simply asked that the resolution submitted by me be referred to the Committee on Foreign Relations, with the request that the chairman report it back to the Senate as soon as feasible.

There being no objection, the resolution (S.Res. 120) was referred to the Committee on Foreign Relations, as follows:

Whereas the present Government of the German Reich has deprived certain groups of its citizens of many of their civil and political rights and has imposed upon them restrictions, pains, and penalties harsh and severe in nature; and

Whereas among the groups so discriminated against by said Government are the 600,000 or more Jewish citizens of the Reich; and

Whereas it is manifest that, as regards the greater number of said Jewish citizens of the Reich, the actual causes for the discriminations against them are their religious beliefs or professions and their racial origin, neither of which is a ground reasonably affecting their rights and privileges as citizens of a modern state; and

Whereas the United States has on numerous occasions interceded on behalf of oppressed minorities in other lands, especially when their oppression proceeded from or was linked with religious intolerance; and

Whereas on at least nine historic occasions, beginning in the year 1840 and continuing down to the year 1919, such intercessions have been made by the United States on behalf of Jewish citizens of states other than the United States, oppressed or persecuted by their own governments or peoples; and

Whereas this honorable record of the United States has been the subject of painstaking research on the part of Mr. Max J. Kohler, of New York, who has published its results in a pamphlet entitled "The United States and German Jewish Persecutions", in which pamphlet, on pages 34 to 42, inclusive, there appears a full account of each of these intercessions, showing that for nearly 100 years the traditional policy of the United States has been to take official and diplomatic cognizance of such invasions of human rights; and

Whereas by express treaty the German Reich stands pledged to the United States to accord to its "nationals who belong to racial, religious, or linguistic minorities" * * * "the same treatment of security in law and in fact as the other nationals". (See Kohler, The United States and German Jewish Persecutions, supra, pp. 42 to 48 inclusive): Now, therefore, be it

Resolved, That the President is requested to communicate to the Government of the German Reich an unequivocal statement of the profound feelings of surprise and pain experienced by the people of the United States upon learning of the discriminations and oppressions imposed by the Reich upon its Jewish citizens; and be it further

Resolved, That the President is requested in such communication to express the earnest hope of the people of the United States that the German Reich will speedily alter its policy, restore to its Jewish nationals the civil and political rights of which they have been deprived, and undo so far as may be the wrongs that have been done them.

INFORMATION RELATIVE TO PROCESSING TAXES

Mr. VANDENBERG. I send to the desk a Senate resolution and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The legislative clerk read the resolution (S.Res. 121), as follows:

Resolved, That the Secretary of Agriculture is hereby requested to send to the Senate a statement concerning so-called "processing taxes" collected up to December 31, 1933, giving, first, the amount of such taxes collected up to December 31, 1933, classified both as to commodities and States in which tax collections originated; second, the amounts of disbursements from these funds for the same period similarly classified; and third, the cost of collecting and disbursing these funds and administering this tax system.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was agreed to.

AMERICAN NATIONAL MARITIME BOARD

Mr. JOHNSON. I submit a resolution and ask that it be read, and, if there be no objection, I ask for its present consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S.Res. 122), as follows:

Whereas the development and successful operation of an American merchant marine is, to a very large degree, based upon intelligent cooperation and good will between managers of operation and the personnel aboard the ships; and

Whereas the value of such cooperation and desirability of establishing and maintaining such harmonious relations has been fully recognized by two of the world's great maritime nations, Great Britain and Japan, in each of which national maritime boards have been organized jointly by shipowners and seamen for the express purpose of securing cooperation and fostering the sea power and the maritime supremacy of the respective nations; and

Whereas cooperation and the promotion of harmonious relations between American shipowners and American seamen could be obtained by means of an American national maritime board with the following objects and purposes:

(a) The development of seamanship, skill, and efficiency.

(b) The prevention and adjustment of differences between shipowners and seamen of all ratings.

(c) The establishment, revision, and maintenance of standard rates of wages and approved conditions of employment in the merchant marine.

(d) The selection and, when possible, the operation of employment offices for seamen in cooperation with the United States Departments of Commerce and Labor: Therefore be it

Resolved, That the Secretary of the Department of Commerce, the Secretary of the Department of Labor, and the Postmaster General be, and they are hereby, requested to confer upon the advisability of initiating an American national maritime board, as herein outlined, and for that purpose to call into conference such representatives of shipowners and seamen as may, in their judgment, be helpful in the formation of such an organization, and to report their proceedings and their conclusions to the Senate.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. ROBINSON of Arkansas. Mr. President, I think the resolution had better go over in order to afford Senators an opportunity to become more familiar with its provisions.

Mr. JOHNSON. I am willing, if the Senator desires that it shall go over.

The VICE PRESIDENT. The resolution will go over under the rule.

INFORMATION REGARDING PIGS AND HOGS

Mr. CAREY. I send to the desk a resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The legislative clerk read the resolution (S.Res. 123), as follows:

Resolved, That the Secretary of Agriculture be, and he is hereby, requested to send to the Senate a statement containing the following facts:

1. The total number of pigs and hogs purchased by the Government between the dates of August 23, 1933, and October 7, 1933, both inclusive; the total live weight of the same; and the total dollars paid.

2. The total pounds (live weight) of such pigs and hogs which were processed for the account of the Government.

3. The total pounds (live weight) of such pigs and hogs which were destroyed upon order of the Government, together with the number of head and average live weight of the same; how the carcasses of the animals which were destroyed but not processed were disposed of; and what was the total cost of such destruction.

4. The number of pounds of edible dressed products processed and accounted for by the processors to the Government; the disposition made of such processed products, as well as the amount now on hand for distribution.

5. What was the average weekly price paid for live hogs on the Chicago, St. Louis, Kansas City, Sioux City, St. Paul, Denver, Portland, Oreg., and Fort Worth markets during the 4 weeks preceding the commencement of the Government pig-hog buying campaign; the average weekly price, exclusive of those purchased by the Government during the time the Government was in the markets buying as well as the average weekly price for each week subsequent to the conclusion of the aforesaid pig-hog buying campaign. In the opinion of the Secretary of Agriculture, what caused the sharp declines between October 18 and November 3; the advances for a short period, and the further sharp declines the latter part of November and during December.

Mr. ROBINSON of Arkansas. Mr. President, it is assumed that the principal part of the resolution is directed toward the procurement of information which is probably available or may be readily compiled in the Department. It will not impose any cost to obtain the information, as I understand.

Mr. CAREY. I think that is true.

Mr. ROBINSON of Arkansas. There is an opinion called for from the Secretary, in addition to the information.

Mr. CAREY. Yes.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. ROBINSON of Arkansas. I have no objection.

Mr. KING. Mr. President, I wish the Senator from Wyoming would add to the resolution a request to report the

gross amount of receipts by the Government, if any, from the processing tax or derived from the sale or disposition of any of the pigs and hogs referred to in the resolution.

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

Mr. KING. Certainly.

Mr. VANDENBERG. May I say to the Senator from Utah that the Senate has previously adopted a resolution which will produce the information the Senator now seeks.

Mr. KING. Then I shall not press my request.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution? Without objection, the resolution is agreed to.

ASSISTANT CLERK TO COMMITTEE ON TERRITORIES AND INSULAR AFFAIRS

Mr. TYDINGS submitted the following resolution (S.Res. 124), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Territories and Insular Affairs hereby is authorized to employ an assistant clerk, to be paid from the contingent fund of the Senate at the rate of $2,000 per annum until otherwise provided by law.

ACTIVITIES OF THE CIVILIAN CONSERVATION CORPS

Mr. WALSH. Mr. President, the President of the United States has transmitted to me, as Chairman of the Committee on Education and Labor, a letter addressed to him by the Director of Emergency Conservation Work in the nature of a report on the work done by the Civilian Conservation Corps.

I ask that the communication be printed in the CONGRESSIONAL RECORD for the information of the Senate and referred to the Committee on Education and Labor.

There being no objection, the letter, with the accompanying data, was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

EMERGENCY CONSERVATION WORK,
OFFICE OF THE DIRECTOR,
Washington, D.C., December 22, 1933.

The PRESIDENT,
The White House, Washington, D.C.

SIR: In submitting this first report dealing solely with the field activities of the Civilian Conservation Corps I wish to call attention to the remarkably large amount of forestry and soil-erosion work that has been accomplished by the 300,000 members of the forest army during the first 6-month enrollment period, ending September 30, 1933. This report, recording in cold figures of miles, acres, and man-days the achievements of the first period, is compiled from the official work records kept at the 1,522 camps where men of the Civilian Conservation Corps and the Indian conservation camps lived and worked during the summer and fall.

The records show that this army of forest workers, made up mostly of young men still in or just emerging from their teens, has made substantial progress in rehabilitating and protecting the 600,000,000 acres of forested lands in this country. It is a matter of pride to the Nation and to all who had any part in this reforestation work to know that these jobless men from the cities and rural communities have labored efficiently and conscientiously not only to conserve the Nation's natural resources but to accomplish work which would justify their employment in the forests as a part of the President's general relief and national recovery program.

Expert foresters of the Department of Agriculture and the Department of the Interior, the men who have supervised the forest work, have advised me that the Civilian Conservation Corps enrollees, large percentages of them green boys wholly untrained in physical work and completely lacking in previous knowledge of the work being done and the necessary manual labor involved, have in a few short months demonstrated a capacity for doing first-rate forestry work which compares favorably with that of local or older men who have spent their lifetime in the forests.

The reports show that a tremendous amount of constructive work that will pay big dividends to future generations has been progressing and is now going forward in every part of the Nation's vast timbered domain. While more than 60 types of work are being performed by the forestry army, the great bulk of the field activities of the corps have been directed toward fireproofing the forests to the greatest possible extent, the protection of the forests from tree-attacking insects and diseases which annually kill millions of valuable trees, the prevention of soil erosion, which Government experts state annually causes losses running into hundreds of millions of dollars, and the improvement of park areas for recreational use.

The figures on work completed show that today, for the first time in the Nation's history, massed man power has been made available for forest protection and is now at work on an unprecedented scale on projects which should reduce the huge annual losses of past years caused by fire, disease, rodents, and insects. Forest experts state that 1933 represents the first year in which the Forest Service has had such an opportunity to conduct control work against insects and tree diseases on such a comprehensive scale. They assert that insects, pests, and tree and plant diseases rank with forest fires as a menace to the Nation's forest properties.

Among achievements which stand out in the completed program is the forest protection work done. This includes the construction of trails through the forests and parks over which fire-fighting units can operate speedily in event of fire, the construction of fire breaks useful in preventing the spread of fires that develop, the removal of fire hazards such as highly inflammable dead trees and underbrush, the construction of lookout towers, observatories, fire guard cabins, shelter for fire-protection equipment, the laying of field telephone wires to connect lookout houses with points of mobilization for fire-fighting units, control operations against tree diseases, and campaigns against tree-attacking insects and rodents. The white-pine blister rust, one of the most serious menaces to the Nation's 20,000,000 acres of valuable white pine, represented one of the major objectives of the forest army. Major items performed under this general heading included:

1. Removal of inflammable fire hazards from 129,962 acres.
2. Construction of 10,058 miles of truck trails.
3. Construction of 5,058 miles of telephone lines.
4. Construction of 3,917 miles of fire breaks.
5. Clearing 6,629 miles of roadsides as fire-prevention move.
6. Construction of 1,700 lookout towers, lookout houses, and tool houses.
7. Completion of insect pest control over 800,160 acres.
8. Completion of tree and plant disease control operations on 1,675,911 acres.
9. Rodent-control campaigns completed on 3,566,918 acres.

Work performed under the general title of forest-stand improvement included thinning forest areas to improve the stand of valuable trees, tree planting and construction of needed buildings and bridges. The general aim of this forest-stand improvement was to put the stand of timber into such condition that the desirable trees will make faster growth and the stand as a whole will produce material of better quality. Under this general heading, work projects completed included:

1. Forest-stand improvement on 205,159 acres.
2. Planting of trees upon 25,750 acres and the partial completion of tree planting on an additional 54,115 acres.
3. The completion of 67,784 man-days of work at nurseries.
4. The construction of 4,299 bridges, 347 headquarters buildings, 308 tool houses, and 47 barns.

Erosion control, the third major classification of work projects, developed into one of the most important phases of the Civilian Conservation Corps program. Major work performed in this field included:

1. The completion of erosion control on 388,034 acres and the partial completion of control work on an additional 151,555 acres.
2. The construction of 68,450 erosion-control dams to regulate stream flow and to check the run off from heavy rains.
3. Revegetation work was completed on 21,534 acres.

The soil-erosion and soil-saving programs have proved of great importance to all the cooperating services in this work. The National Forest Service, with its 162,000,000 acres of national forest land, the National Park Service, the Indian Service, controlling several million acres of Indian reservations, as well as State and private officials on whose land the conservation workers have operated, all agree that the work done to save topsoil has been extremely valuable. Forest Service officials refer to this type of work as perhaps as important as any done. National park officials refer to the erosion-control program as one of the most important undertaken by the Civilian Conservation Corps.

Mr. F. A. Silcox, forester, of the Forest Service, who has had general supervision over the work of more than 1,200 camps, states that the work performed by the Civilian Conservation Corps youths and veterans has accomplished much needful and valuable work in the national forests and has served to bring the American public closer to forestry itself and to conservation generally. He points out that fire losses were more than cut in half in national forests during the first 10 months of the current year and attributes much of this saving to the Civilian Conservation Corps boys. In this connection Forest Service officials stated that less than 150,000 acres of national forest land were burned over this year prior to November 1, compared with an annual average for the 5 preceding years of 512,783 acres.

Arno B. Cammerer, Director of the Office of National Parks, Buildings, and Reservations, joins with Forester Silcox in praising the fire-prevention activities of the men. He advised me recently that their presence in the parks this past summer and fall was largely responsible for a reduction of the forest-fire loss in the parks of 37 percent over the same period for 1932. A tremendous amount of conservation and general improvement work also was accomplished in National and State parks.

Improvements admittedly required for years but impossible of entire achievement for 10 or 20 years in the national park areas, and probably not that soon in State park areas, have been accomplished or are in the process of accomplishment. As a result, generations to come will derive social benefits from our great recreational areas almost undreamed of when these reservations were established. These opportunities for social service have been enhanced many times.

The removal of brush and dead timber from National and State park areas not only reduced the fire hazard but enhanced the scenic value of the parks. Trails were extended, roadsides im-

proved through planting and erosion control, camp grounds for the private motorists laid out, and fireplaces and othe recreational facilities for the motorist provided. In many States land which was of little value in its then existing condition was converted into valuable State park property. In many States, State park-development programs were pushed ahead for 5 or 10 years.

Much valuable soil-erosion and soil-saving work was accomplished by the Indians on Indian reservations. John Collier, Commissioner of Indian Affairs, has stated that the capital value of the Indian lands has been increased $2 for every dollar spent on the Indian conservation work. The Indian work program included construction of soil-erosion dams, revegetation of lands, construction of hundreds of reservoirs to hold water for livestock, forest improvement and protection work, and the conduct of campaigns against rodents such as prairie dogs.

In addition to the major projects undertaken, much work was done in the way of restoring historical landmarks, improving facilities for protecting and increasing wild life, halting the destructon effect of coal fires on the public lands in the vicinity of Gillette, Wyo., improving national resources such as forage and range, and clearing roadsides and trails.

Work projects were carried on on Federal, State, and privately owned lands. Five projects, utilizing 200 men each, were carried on Puerto Rico, and one camp was located in Alaska. All told, 1,528 camps were in operation during the first 6 months' period.

Very truly yours,

ROBERT FECHNER, *Director.*

Emergency conservation work, all services, Sept. 1933

REPORT OF PERSONNEL, ETC.

Service	Number of camps	Days worked (camp days)		Personnel[1]			Average daily numbers employed in—	
		Total	Average	Total	Supervisors	Enrolled men	Field work	Camp duties
United States	1,528	27,718	18.1	262,678	14,850	247,828	182,032	62,913
Forest Service	1,250	23,909	19.1	213,956	12,150	201,806	147,429	53,002
National Park Service	175	3,084	17.6	30,543	1,826	28,717	20,852	7,241
Bureau of Indian Affairs	71	129	1.8	[2]13,867	798	13,069	10,614	804
Office of the Chief of Engineers	28	521	18.6	[2]3,588	34	3,554	2,706	1,745
Bureau of Biological Survey	3	55	18.3	518	29	489	313	96
General Land Office	1	20	20.0	206	13	193	168	25
Outlying possessions	6	118	19.7	977	65	912	864	51

[1] Excluding Army personnel.
[2] Excluding camp operating personnel.

Emergency conservation work, all services

REPORT OF PROGRESS OF WORK FOR SEPT. 1933—NEW CONSTRUCTION

Classification no.	Type of job, State and outlying possessions	Camps reporting	Unit of work	Amount contemplated	Total completed	Percent completed	Previously reported as completed	During month		Not yet started
								Completed	Partially completed	
1	Telephone lines	919	Miles	18,602.0	5,058.0	27.2	3,218.0	1,832.4	1,564.4	11,979.6
2	Fire breaks	566	do	36,006.2	3,917.2	10.9	2,309.7	1,607.5	1,653.5	30,435.5
3	Removal of fire hazards	601	Acres	2,162,628.5	129,963.2	6.0	71,715.1	58,248.1	21,527.2	2,011,138.1
4	Roadside clearing (fire prevention)	679	Miles	17,163.3	4,663.1	27.2	3,301.1	1,352.0	454.7	12,045.5
5	Trailside clearing (fire prevention)	221	do	10,161.3	1,966.1	19.3	976.2	989.9	111.3	8,083.9
6	Forest stand improvement	553	Acres	1,736,562.8	205,159.5	11.8	134,677.2	70,482.3	17,502.0	1,513,901.3
7(a)	Roads (truck trails)	1,271	Miles	39,243.7	10,058.1	25.6	6,438.0	3,620.1	3,967.9	25,217.7
7(b)	Roads, minor (maintenance only)	79	do	1,489.1	445.0	29.9	211.0	234.0	36.3	1,007.8
7(c)	Roads, highway (maintenance only)	45	do	251.8	99.6	39.6	64.8	34.8	31.5	120.7
8(a)	Trails (horse)	409	do	7,510.7	1,745.6	23.2	1,141.4	604.2	194.2	5,570.9
8(b)	Trails (foot)	296	do	4,495.9	824.6	18.3	576.7	247.9	170.6	3,500.7
9	Lookout houses	297	Number	573.2	104.0	18.0	39.0	65.0	103.3	370.9
10	Lookout towers	339	do	3,593.0	1,158.0	32.2	1,034.0	124.0	95.0	2,345.0
11	Fighting forest fires	766	Man-days	547,513.7	400,913.2	73.2	293,442.0	107,471.2	2,498.0	144,102.5
12	Dwellings (headquarters)	224	Number	618.5	347.4	56.2	298.3	39.1	144.8	126.3
13	Dwellings (temporary stations)	220	do	571.0	308.0	53.9	253.0	55.0	105.5	157.5
14	Toolhouses (headquarters)	471	do	567.0	405.0	71.4	338.0	67.0	84.0	78.0
15	Toolhouses (temporary stations)	289	do	615.0	438.0	71.2	352.0	86.0	56.0	121.0
16	Barns (headquarters)	149	do	188.0	47.0	25.0	29.0	18.0	68.7	72.3
17	Barns (temporary stations)	93	do	153.0	65.0	42.5	43.0	22.0	31.0	57.0
18	Office (headquarters)	321	do	402.0	268.0	66.7	228.0	40.0	75.0	59.0
19	Office (temporary stations)	155	do	184.0	138.0	75.0	127.0	11.0	18.0	28.0
20	Other structures (headquarters)	469	do	1,356.3	714.0	52.6	552.3	161.7	304.9	337.4
21	Other structures (temporary stations)	450	do	2,061.0	1,081.2	52.5	788.0	293.2	223.8	756.0
22	Fences (headquarters)	230	Miles	1,352.2	977.1	72.3	128.7	848.4	56.6	318.5
23	Fences (temporary stations)	145	do	326.7	169.4	51.9	43.1	126.3	25.2	132.1
24(a)	Water systems	296	Feet	195,323.6	38,847.6	19.9	37,006.1	1,841.5	21,774.0	134,702.0
25	Water (temporary stations)	212	Number	1,756.1	1,457.9	83.0	1,415.0	42.9	45.0	253.2
26	Planting	337	Acres	184,717.5	25,750.6	13.9	12,992.1	12,758.5	54,115.8	104,851.1
27	Nursery	112	Man-days	126,992.0	67,784.0	53.4	56,613.5	11,170.5	609.0	58,599.0
28	Seed collection	163	Bushels	34,005.3	7,293.8	21.4	1,444.5	5,849.3	40.7	26,670.8
28(a)	Hardwood seed	4	Pounds	1,355.0	855.0	63.1	555.0	300.0		500.0
29(a)	Insect-pest control (tree)	191	Acres	2,677,329.2	728,659.5	27.2	455,707.8	272,951.7	3,729.0	1,944,940.7
29(b)	Insect-pest control (other)	13	do	39,503.0	71,494.0	79.9	71,158.0	336.0	1.0	18,008.0
30	Tree- and plant-disease control	350	do	4,010,630.7	1,675,911.9	41.8	1,211,207.1	464,704.8	57,533.1	2,277,185.7
31	Boundary survey and marking	341	Miles	20,337.2	7,485.6	36.8	5,169.9	2,315.7	664.6	12,187.0
31(a)	Base line	1	do	50.0	25.0	50.0		25.0		25.0
32	Erosion control	293	Acres	4,644,968.8	388,034.9	8.4	234,425.9	153,609.0	151,555.0	4,105,378.9
32(a)	Dams	88	Number	685,635.0	68,540.0	10.0	39,854.0	28,686.0	1,580.0	615,515.0
32(b)	Erosion fences	1	Miles	20.0	1.3	6.5	1.3		.2	18.5
32(c)	Erosion control—bank protection	1	do	400.0						400.0
33(a)	Bridges, foot	181	Number	1,404.0	703.0	50.1	224.0	479.0	41.0	660.0
33(b)	Bridges, horse	77	do	524.0	214.0	40.8	157.0	57.0	18.0	292.0
33(c)	Bridges, vehicle	717	do	8,317.0	3,189.0	38.3	1,976.0	1,213.0	430.0	4,698.0
33(d)	Bridges, stock	89	do	503.0	193.0	37.9	106.0	87.0	80.0	236.0
34	Public camp ground buildings	209	do	1,030.0	234.0	22.7	178.0	56.0	122.1	673.9
35	Public camp ground clearing	625	Acres	21,235.1	9,175.3	43.2	6,302.3	2,873.0	922.3	11,137.5
36	Public camp ground latrines	485	Number	4,024.0	1,665.5	41.4	1,111.5	554.0	378.5	1,980.0
37(a)	Public camp ground water	374	Feet	27,702.0	6,365.6	23.0	3,750.5	2,615.1	453.4	20,883.0
38(a)	Public camp grounds waste disposal	359	do	45,946.0	12,356.0	26.9	11,009.0	1,347.0	1,272.0	32,316.0
39	Stream improvement	196	Miles	1,996.4	716.6	35.9	508.0	208.6	37.9	1,241.9
39(a)	Lake, pond, or beach improvement	9	Acres	1,023.5	604.0	59.0	578.5	25.5	64.0	355.5
40	Dams for fish and birds	176	Number	2,482.0	1,053.6	42.4	898.3	155.3	58.0	1,370.4
41(a)	Range fences, wire (barb)	224	Miles	3,753.7	810.2	21.6	440.3	369.9	332.7	2,610.8
41(b)	Range fences, log	34	do	117.6	53.3	45.3	32.4	20.9	21.9	42.4
41(c)	Range fences (stake and rider)	20	do	65.9	19.8	30.0	11.5	8.3	3.9	42.2
42	Driveways for livestock	74	do	673.0	161.6	24.0	103.4	58.2	6.4	505.0
43	Spring or well development for livestock	168	Number	2,126.0	461.0	21.7	264.0	197.0	105.5	1,559.5
44	Reservoirs (stock)	70	do	1,008.0	269.9	26.8	132.5	137.4	120.0	618.1
45	Eradication, poisonous plants	92	Acres	109,129.6	47,459.4	43.5	34,898.9	12,560.5	588.0	C1,082.2
46	Corrals	151	Number	199.3	87.3	43.8	53.3	34.0	22.0	90.0
46(a)	Stock guards	1	do	1.0						1.0
47	Range revegetation	71	Acres	216,889.3	21,535.4	9.9	18,123.9	3,411.5	322.3	195,031.6
48	Rodent control	228	do	7,035,617.0	3,566,918.7	50.7	2,715,497.0	919,775.7	183,854.0	3,284,844.3
49(a)	Flood control (surveys and grades) lines	102	Linear feet	11,672,084.0	5,410,978.0	46.4	3,647,755.0	1,763,223.0	283,345.0	5,977,761.0
49(b)	Flood control, surveys (topographic)	78	Square yards	41,890,031.0	14,455,577.0	34.5	7,476,318.0	6,979,259.0	5,013,115.0	22,421,339.0
49(c)	Flood control, dam site clearing	72	do	1,737,405.0	307,080.0	17.7	236,335.4	70,741.0	6,900.0	1,423,425.0

Emergency conservation work, all services—Continued

REPORT OF PROGRESS OF WORK FOR SEPT. 1933—NEW CONSTRUCTION

Classification no.	Type of job, State and outlying possessions	Camps reporting	Unit of work	Amount contemplated	Total completed	Percent completed	Previously reported as completed	During month		Not yet started
								Completed	Partially completed	
49(d)	Flood control, river bank clearing	63	cubic yards	2,308,081.0	356,476.5	15.4	184,906.0	171,570.5	245,392.0	1,706,212.5
49(e)	Flood control, channel clearing	27	Linear yards	96,835.0	54,951.0	56.7	33,386.0	21,565.0	304.0	41,580.0
49(f)	Flood control, dams, earth fill	3	Cubic yards	3,301.0	2,452.0	74.3	1,212.0	1,240.0		849.0
49(g)	Flood control, stripping of site	25	do	35,000.0	31,600.0	90.3	10,000.0	21,600.0		3,400.0
49(h)	Dams, earth excavation	25	do	389,000.0	28,700.0	7.4	14,100.0	14,600.0		360,300.0
49(i)	Dams, rock excavation	25	do	45,000.0	3,780.0	8.4	450.0	3,330.0		41,220.0
49(j)	Dams, concrete	25	do	6,500.0						6,500.0
49(k)	Dams, rock fill	25	do	2,200.0	1,600.0	72.7		1,600.0		600.0
49(l)	Dams, steel	25	Pounds	540,000.0						540,000.0
49(m)	Channel enlargement, earth excavation	3	Cubic yards	53,000.0	7,200.0	13.6	5,500.0	1,700.0		45,800.0
49(n)	Channel enlargement, rock excavation	1	do	14,000.0	1,830.0	13.1	310.0	1,520.0		12,170.0
49(o)	Reconstruction of existing dams, rock excavation	2	do	2,500.0						2,500.0
49(p)	Reconstruction of existing dams, earth excavation	2	do	250.0						250.0
49(r)	Reconstruction of existing dams, new concrete	2	do	700.0						700.0
49(s)	Reconstruction of existing dams, steel	2	Pounds	31,000.0						31,000.0
50	Landscaping	281	Acres	57,300.1	22,401.6	39.1	15,701.0	6,700.6	3,982.0	30,916.5
51	Fire, presuppression	117	Man-days	56,560.4	42,874.1	75.8	30,328.0	12,546.1	2,631.3	11,055.0
52	Fire prevention (posting signs, etc.)	22	do	4,708.0	2,856.0	60.7	1,582.0	1,274.0	1,285.0	567.0
53	Other camp-ground facilities (benches, fireplaces)	146	Number	13,033.3	6,288.3	48.2	3,710.0	2,578.3	2,099.0	4,646.0
53 (a)	Game and fish stocking	1	Days	10.0						10.0
53 (b)	Forage and game	1	Tons	10.0						10.0
54	Experimental plots	18	Number	124.0	53.0	42.7	26.0	27.0	4.0	67.0
55	Timber, range, special use and claim surveys involving maps.	101	Acres	2,677,228.1	1,165,705.1	43.5	870,587.1	295,118.0	101,574.0	1,409,949.0
56	Elimination of useless range stock	2	Number	386.0	386.0	100.0	386.0			
57	Stone guard rail	5	Miles	18.0	15.3	85.0	9.3	6.0		2.7
58	General clean-up	1	Acres	1,200.0	222.0	18.5	82.0	140.0	585.0	393.0
59	Auto parks, stone partitions	1	Number	1,155.0	155.0	100.0		155.0		
61	Fighting coal fires	1	Man-days	11,836.0	11,836.0	100.0	7,028.0	4,808.0		
62	Searching for missing persons	4	Days	202.0	202.0	100.0	142.0	60.0		

REPORT OF PROGRESS OF WORK FOR SEPTEMBER 1933 MAINTENANCE

1	Telephone lines	468	Miles	15,419.5	8,169.4	53.0	6,221.4	1,948.0	724.9	6,525.2
2	Fire breaks	74	do	3,237.3	920.2	28.4	658.8	261.4	242.5	2,075.6
3	Removal fire hazards	7	Acres	157.0	72.0	45.9	40.0	32.0		85.0
4	Roadside clearing (fire prevention)	45	Miles	2,018.7	865.6	42.9	576.4	289.2	24.7	1,128.4
5	Trailside clearing (fire prevention)	15	do	284.2	125.1	44.0	61.6	63.5	19.4	148.7
6	Forest stand improvement	14	Acres	5,177.0	757.0	14.6	602.0	155.0	20.4	4,399.6
7(a)	Roads (truck trails)	444	Miles	14,538.7	8,113.8	55.8	6,711.9	1,401.9	950.7	5,474.2
7(b)	Roads, minor (maintenance only)	304	do	6,120.9	3,079.3	50.3	2,262.9	816.4	370.5	2,671.1
7(c)	Roads, highway (maintenance only)	85	do	1,396.0	1,016.7	72.8	853.5	163.2	117.4	261.9
8(a)	Trails (horse)	240	do	15,288.7	9,295.6	60.8	7,682.1	1,613.5	38.9	5,954.2
8(b)	Trails (foot)	84	do	3,213.5	1,484.4	46.2	834.1	650.3	96.7	1,632.4
9	Lookout houses	44	Number	60.0	17.6	29.3	9.0	8.6	9.4	33.0
10	Lookout towers	63	do	183.0	77.0	42.1	63.0	14.0	32.0	74.0
11	Fighting forest fires	14	Man-days	7,837.0	3,482.0	44.4	2,612.0	870.0		4,355.0
12	Dwellings (headquarters)	109	Number	163.0	81.0	50.0	53.0	28.0	46.0	36.0
13	Dwellings (temporary station)	75	do	116.0	55.3	47.7	25.3	30.0	28.0	32.7
14	Toolhouses (headquarters)	51	do	64.0	36.0	56.3	29.0	7.0	14.0	14.0
15	Toolhouses (temporary station)	23	do	35.0	25.0	71.4	23.0	2.0	6.0	4.0
16	Barns (headquarters)	55	do	66.0	38.0	57.6	25.0	13.0	12.0	16.0
17	Barns (temporary station)	19	do	24.0	8.0	33.3	5.0	5.0	1.0	15.0
18	Office (headquarters)	59	do	71.0	43.0	60.6	33.0	10.0	18.0	10.0
19	Office (temporary station)	11	do	12.0	8.0	66.7	8.0		3.0	1.0
20	Other structures (headquarters)	62	do	191.0	113.0	59.2	67.0	46.0	24.0	54.0
21	Other structures (temporary station)	30	do	75.0	36.0	48.0	29.0	7.0	14.0	25.0
22	Fences (headquarters)	60	Miles	114.7	43.3	37.8	30.4	12.9	14.5	56.9
23	Fences (temporary station)	34	do	95.5	32.5	34.0	22.0	10.5	5.9	57.1
24(a)	Water systems	40	Feet	49.0	22.0	44.9	18.0	4.0	10.0	17.0
25	Water (temporary station)	24	Number	49.0	11.0	22.4	10.0	1.0	12.0	26.0
26	Planting	11	Acres	1,664.1	150.1	9.0	140.1	10.0	2.0	1,512.0
27	Nursery	22	Man-days	27,592.0	15,601.5	56.5	10,370.0	4,979.5	358.0	11,632.5
29(a)	Insect pest control (tree)	6	Acres	106,390.0	26,523.0	24.9	13,866.0	12,657.0	1,600.0	78,267.0
30	Tree and plant disease control	5	do	6,213.5	3,564.0	57.4	2,385.0	1,179.0		2,649.0
31	Boundary survey and marking	23	Miles	962.5	251.5	26.1	162.7	88.8	12.8	698.2
32	Erosion control	9	Acres	36,420.0	8,576.0	23.5	889.0	7,687.0	2,020.0	25,824.0
32(a)	Dams	3	Number	352.0	167.0	47.4	25.0	142.0		185.0
33(a)	Bridges (foot)	9	do	32.0	17.0	53.1	9.0	8.0		15.0
33(b)	Bridges (horse)	11	do	30.0	25.0	83.3	20.0	5.0		5.0
33(c)	Bridges (vehicle)	124	do	1,216.0	449.5	37.0	325.0	124.5	30.0	736.5
33(d)	Bridges (stock)	6	do	77.0	10.0	13.0	7.0	3.0	67.0	
34	Public camp-ground building	21	do	58.0	14.0	24.1	10.0	4.0	9.0	35.0
35	Public camp-ground clearing	51	Acres	968.0	535.5	55.3	346.0	189.5	37.0	395.5
36	Public camp-ground latrines	48	Number	314.0	147.0	46.8	82.0	65.0	26.0	141.0
37(a)	Public camp-ground water	21	Feet	40.0	17.6	44.0	11.5	6.1	2.4	20.0
38(a)	Public camp-ground waste disposal	35	do	191.0	92.0	48.2	67.0	25.0	32.0	67.0
39	Stream improvement	5	Miles	23.7	2.2	9.3	1.6	.6	1.0	20.5
40	Dams for birds and fish	11	Number	140.0	8.0	5.7	4.0	4.0	1.0	131.0
41(a)	Range fences, wire (barb)	49	Miles	677.8	222.6	32.8	165.7	56.9	16.5	438.7
41(b)	Range fences, log	3	do	28.8	3.7	12.8	3.7			25.1
41(c)	Range fences, stake and rider	1	do	1.7	1.7	100.0		1.7		
42	Driveways for livestock	9	do	275.6	190.1	69.0	183.0	7.1		85.5
43	Spring or well devel for livestock	8	Number	31.0	8.0	25.8	6.0	2.0	1.0	22.0
44	Reservoir (stock water)	7	do	112.0	26.0	23.2	15.0	11.0	11.0	75.0
45	Eradication, poisonous plants	3	Acres	669.0	20.0	3.0	10.0	10.0		649.0
46	Corrals	9	Number	12.0	6.0	50.0	6.0			6.0
47	Range revegetation	3	Acres	7.0	7.0	100.0	3.0	4.0		
48	Rodent control	1	do	2,000.0						2,000.0
49(c)	Flood control (dam-site clearing)	1	Square yards	15,364.0	15,364.0	100.0	10,891.0	4,473.0		
49(e)	Flood control (channel clearing)	1	Linear yards	100.0	100.0	100.0	75.0	25.0		
50	Landscaping	10	Acres	363.0	232.0	63.9	177.0	55.0	2.0	129.0
51	Fire presuppression	2	Man-days	1,540.3	1,540.0	100.0	1,126.0	414.0	.3	
52	Fire prevention (posting signs, etc.)	2	do	193.0	6.0	3.1		6.0		187.0
53	Other camp-ground facilities	7	Number	116.0	46.0	39.7	38.0	8.0		70.0
54	Experimental plots	2	do	8.0	8.0	100.0	7.0	1.0		

RADIO ADDRESS BY REPRESENTATIVE LEMKE, OF NORTH DAKOTA

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD a radio address delivered on September 23, 1933, by Hon. WILLIAM LEMKE, a Representative from the State of North Dakota, which appears in the Appendix.]

SOVIET RECOGNITION—RADIO ADDRESS BY MATTHEW WOLL

[Mr. KING asked and obtained leave to have printed in the RECORD a radio address on the subject of soviet recognition, delivered over the National Broadcasting Co. network on December 2, 1933, by Matthew Woll, vice president of the American Federation of Labor, under the auspices of the American Alliance of the United States, which appears in the Appendix.]

INFLATION

[Mr. CLARK asked and obtained leave to have printed in the RECORD an article appearing in Scribner's Magazine entitled "Honest Inflation", by Edward Tuck, founder of the Tuck School of Business Administration at Dartmouth College, which appears in the Appendix.]

THE PRESIDENT'S SILVER PROCLAMATION

[Mr. HAYDEN asked and obtained leave to have printed in the RECORD the President's proclamation with respect to the coinage of silver, together with an editorial entitled "Justice for Silver", by Raymond Moley, appearing in Today, which appear in the Appendix.]

THE CALENDAR

The VICE PRESIDENT. The morning business is closed. The calendar under rule VIII is in order.

The first business on the calendar was the bill (S. 682) to prohibit financial transactions with any foreign government in default on its obligations to the United States.

LETTER OF JOHN MAYNARD KEYNES TO THE PRESIDENT

Mr. LEWIS. Mr. President, I beseech the Senate that I may be permitted to impose upon it for a few moments on a matter that may be slightly a departure from what the calendar calls into action. I refer, Mr. President, to a public letter which has been addressed to the President of the United States, which comes from one who signs himself John Maynard Keynes, an economist, and seemingly has authorized those who are presenting the letter in the press to allude to him as an "adviser of one of the King's colleges" and a "director of economy."

Mr. President, this eminent gentleman—I say "eminent" because he says he is, and I am one of those ever inclined to adopt a man's standard as expressed in behalf of himself—addresses his letter to the President of the United States. The letter assumes to have been written from London, England. This letter would not have attracted my consideration or the attention of my eminent colleagues on both sides of this Chamber were it not for the fact that it is perfectly apparent that it is a syndicated article, prepared at the behest of those interested, and circulated to be printed in the different magazines and publications of America as a declaration and expression from a very eminent source making an estimate of the President of the United States, the Government of America, and those who are assumed to be its advisers and directors.

Our attention is drawn to the fact that one of the great papers of New York, the New York Times, assumes an importance for this communication, and extracts from it in the usually able manner characteristic of the New York Times, and addresses in its editorial its comments as to the administration in power, and takes the extracts from this economist of England as the basis of this comment and as the justification of its conclusions.

I have noticed that a very great paper of the West, one of the very great leaders of expression of one of the great political parties of America, the Chicago Tribune, simultaneously adopts portions of the communication and expresses itself in harmony with its declarations. At the same time, I advise my colleagues interested in this casual matter, the influential San Francisco Chronicle reproduces from this letter an extract, and likewise editorializes upon it adverse to the administration.

Senators, it is very evident from these reproductions that this communication was prepared some weeks previous to its date and through the selected agencies of power was laid upon the table, ready for action. It was to be published simultaneously in all parts of the United States, the object of achieving a basis of comment, censure, and condemnation of the administration in power.

Mr. President, ordinarily this honorable body would pay no heed in an official manner to communications addressed by gentlemen of foreign lands either adverse to or in favor of an administration in power, and that would not be done in the case of this communication but for the fact that it is written with the object of impressing the American public and influencing the American nature to adopt the premises set forth and to endorse the conclusions reached.

I dare say my eminent colleagues on both sides of this Chamber recall the name of this eminent writer, Mr. John Maynard Keynes. In the estimation of a few of us who participated in some capacity in the peace conference at the close of the World War—my part being of a minor character—it is to the credit of this gentleman that he very early saw that the reparations laid against Germany were of such weight and burden that they would distress, rather than advance, the cause of peace, and he did assert that it would obstruct any negotiations of harmony in the coming era between the nations.

Later this gentleman, as an economist, assumed to be a spokesman of the younger generation of England, who in themselves were at variance and sometimes in conflict with the older age of England as it expressed itself in Parliament. To that point he was very much commended by those who have such views as myself, and received the endorsement of those whose modernistic ideas of the advance of human liberty and common justice would reward anyone who was daring enough, courageous enough, to advance remedies as against the oppressions which were then threatened and now are imposed upon the world at large under what is called the terms of the peace treaty.

Up to 4 months ago, as we recall, if we are interested at all in the casual history of mankind and those who write from other countries touching the affairs of America, this economist wrote most approvingly of the attitude of the United States and found it agreeable to have, through whatever agencies were adopted—I know not what—the print in America of his views. These expressed the endorsement of the policies undertaken by the President, the new economical doctrine of the United States, and the theories advanced by those who were speaking in behalf of the new government in America.

I am assuming, sir, that those who spoke felt they were advancing the doctrines which were stated in the political platform of the Democracy and espoused and endorsed by the electorate at the election, producing the result now advocated by the national officials who were chosen by the popular vote. It is to be noted now that four months and a half from that time this eminent economist—lest I fall into error—finds it wholly agreeable to write the very reverse of all of that which he has previously advocated. He seems to find an occasion for the condemnation of whatever has transpired in America, particularly as to that which relates to the Government and the administration from Washington.

It may be a bit unkind, but I dare say it cannot be said to be inconsistent or illogical, to conclude that something has happened wherein this honorable gentleman, this writer disseminating knowledge and information for the guidance of America and England, has been influenced in the short term of 4 months to such change of attitude and view as now indicated from previous advocacy, since these views to which I am alluding have now been given the currency of a public document throughout all the United States. It is hoped by its sponsors to influence the ordinary citizen of the United States. It is trusted that he may behold how very wrong has been the way of the administration, and how very great has been the loss to America in its prestige before the world as a result of the enforcement of the

policies of the present Government. It is believed that these portrayals of our errors may convince our general electorate that some great wrong has been done the honor of the Nation, and for such reason, among others detailed, our people would be converted to reverse all of that which was decreed at the ballot box.

I am now to refer to the writings of another person, and he the subject of a friendly nation for whom we have great respect and whose officials we hold in very high esteem, I take the liberty of bringing the attention of Senators to the letter as I read from it, to which I add views of my own touching this letter and the decorum of its expression. I bring you first the letter. I bring you then the editorials in these great papers which have assumed to use this letter as the basis of their condemnation, their criticism, and particularly their analysis and adverse judgment of the policies of our Government.

I turn to attract the attention of the Senate to the form of print of this letter. I invite you to note that the letter is headed by they who espouse it as being from one who is a fellow of King's College and an adviser of the royal body in England.

Mr. President, I wish it understood that I do not complain that this British gentleman addresses himself to the President of the United States, and that this English economist attracts to himself such advertisement as naturally follows to one who assumes to have his people informed that he feels himself important enough to address the President of the United States as one of the fellows needing advice and counsel from such source of wisdom as the writer feels he represents.

I do not complain that the gentleman presumes as a citizen of the British Empire to address himself to the President of the United States, for I recall that there is an old English maxim of consolation that "a cat may look at a king." It is Danton who tells us that life's text of action is "L'adace, l'adace-toujours l'adace."

We read in this letter addressed to the President a confession on the part of the gentleman styling himself as "economist", that he lays down his reflections under the "disadvantage of distance and partial knowledge." We confess that after reading his article, it is readily conceded that his knowledge is *partial* as it is also *deficient*.

He states that the sympathizers in England are "nervous and despondent." We are sorry that those in England can be either nervous or despondent, and trust that by reading this article those beholding it may take on some other form, such as confidence in their Government, and the consciousness that we in America are conducting our Government without regard to the nationals of other nations who have certain losses to themselves wherein they had from a policy hoped for—by us contemplated profit, and disappointed have become nervous and despondent.

The economist proceeds to ask whether or not the President is being advised by those he styles as "crack-brained and queer." We do not know exactly to whom he alludes, but, with proper regard to this letter, we answer him, "Yes; it is apparent from this communication addressed to the President by the alleged economist offering advice that some of the advice is surely *crack-brained* and *queer*."

He states that the average city man—meaning the man down in the city of London close within the shadows of the Bank of England, for, as Senators know, that is always referred to as the "city", all portions beyond as England—that those within this environment feel the President is engaged in a "hair-brained" expedition in the face of opposing competent advice. Of course, we assume that the "competent advice" is that which comes from Britain, our honorable competitor, for whom we have the best of wishes and great hopes. But this writer advises the President that the only hope of the President lies in "ridding yourself of your present advisers" and "to return to the old ways, otherwise the United States is heading for some ghastly breakdown." Oh, the horror of it.

Of course, it is easy to observe that returning to the "old ways" means those ways that surrender the dignity of the United States and its independence to those of other nations who profit greatly by our supine surrender or serene indifference to their appropriation of profit gathered from our too frequent yielding our privileges and our advantages.

The "eminent economist" proceeds to advise the President by saying he is about to overtask his "bureaucratic machine" and states:

> Now I am not clear looking back over the last 9 months that the order of urgency between measures of recovery and measures of reform has been duly observed.

He states he cannot detect any material aid to recovery, and advises the President to allow experience to accumulate, charges that our system has been put across too hastily, and adds his opinion and judgment as to how recovery should be brought about in a manner acceptable to himself and his fellow British citizens in concluding that American recovery has experienced a set-back this autumn, but saying he is not surprised, and so forth, and adding that he need not stop to enumerate that which renders especially difficult in the United States the rapid improvement. He proceeds to set forth what he calls the other set of "fallacies", and describes those fallacies to the President so that the President may behold them, drawing a figure of the tightening belt around a shrunken waist, and then assumes to describe the measures adopted as "a foolish application of ideas."

It is to be noted that the very form and substance which this eminent economist now characterizes as "foolish" are those he advocated 2 months ago in language specific but under the influence of those who have lately guided his intelligence, and, conscious that there is now the inconsistency which must be imputed to certain influences, pauses to add, "These criticisms do not mean that I have weakened in my advocacy", and so forth. But it is apparent that whether he is weakened or strengthened, he has merely changed his advocacy from the affirmative of 2 months ago, when published in behalf of this administration, to now the negative, which is published in denunciation of it.

He tells the President of the United States—assuming that the President of the United States might happen to see his letter or attach any importance to it sufficient to take time to read it—he will note that a British subject addresses the President of the United States referring to the works of this friendly Government and its officials as "foolish."

He then assumed that the President is asking him, "What do you recommend?" And he says, "If you were to ask what I would suggest", as if the President would find it necessary to seek foreign counsel and direction from this writer, as the sole salvage—and assuming, for his own consolation, that in the possibilities of imagination such a compliment to himself might be accorded, he says:

> If you were to ask me what I would suggest in concrete terms for the immediate future, I would reply * * *—

and after stating certain matters which he feels need to be remedied, among which is the devaluing of our money, comes to the final conclusion which is the object of the whole communication—

> * * * to ask some common policy of exchange stabilization with Great Britain—

adding—

> This would be the best ultimate solution.

Mr. President, I recall a little line of poetry somewhere—is it not Goldsmith on the Village Schoolmaster?

> And still they gaz'd, and still the wonder grew
> That one small head could carry all he knew.

[Laughter.]

Then it is that we should as a finality turn and adopt as our only salvation the advice and direction of Great Britain. Now, we understand the letter. In the language of the movies—"Oh, yeah?" [Laughter.]

We now, sir, get what was the real object of this communication, and we see, sir, the spirit that animated its writing in England, and that which in America is the justification for its general distribution, but now after 4 months, following the complete dedication of America to its new policies we find the eminent economist, who proclaims that he is an adviser of colleges and of the Royal Commission of

England, says our only chance for recovery from a policy that is foolish and that has led the President astray, through advisers that are "crackbrained", is to collaborate at once with England and allow her to advise and direct us to the end of our roadway.

I recognize the great capacity of English statesmen. I have served in some capacities in that country. Eminent colleagues whom I see sitting about me, particularly the Senator from Arkansas [Mr. ROBINSON] and the Senator from Nevada [Mr. PITTMAN], both of whom did honor to the Senate in their service. Yet each can witness with me that England has eminence in statesmen and great knowledge of statescraft, and with it all a bounteous show of ideal manners; but in the decorum of their official life it has been impossible to observe among those with whom my eminent colleagues and myself have associated any who would have turned to a foreign country, friendly as the United States, and deliberately publish that the President of the United States was "foolish" as an individual and that his advisers were "crack brained" and "half-baked." I, for myself, may say that in my experience with Englishmen it has been my knowledge that they clung to and observed in speech and conduct those standards that decency and decent politeness commanded; never would they have charged a vulgarity to a friendly nation whose chief official has been seeking during all of this time for some friendly concourse out of which may be brought some union of result looking toward the restoration of good feeling and the melting of these discordant elements in what we call "economics" and their existing conflict at this time.

We appreciate that this letter, noting that it has been copied in different papers and magazines, was written some time ago and prepared for the effect of the expressions which I have now called to your attention.

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

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

Mr. LEWIS. I yield.

Mr. McKELLAR. Does the distinguished British gentleman suggest that Great Britain might help us out by paying us the debts they owe us?

Mr. LEWIS. Mr. President, I am asked by the able Senator from Tennessee, who has given much attention, as we all recall, to the debts of foreign nations which are in default, and who has so often on this floor in eloquent and commendable manner demanded some immediate execution of their contract—I am asked if this eminent gentleman alludes to those debts. I must again pay my tribute to this gentleman as an eminent, shrewd, and very sagacious man by calling the attention of the Senator from Tennessee that he shows his sagacity in the fact that debts is a subject which he carefully avoids.

I may say to my able friend from Tennessee that this eminent gentleman, in advising the President, proceeds to refer to the present system of finance. When he touched finance one might have imagined that he would have touched it very gently, and referred to the action taken by his own Nation, in behalf of England—this "eminent economist" continues—and I beseech you, Senators, that for your own information you gather these deductions. The American attitude upon finance is "upsetting confidence", "it is hindering business."

And now to your great interest Senators, he proclaims our financial policy is awakening "a certain lack of respect which exists abroad."

We have not drawn to ourselves the respect which the eminent writer feels that some other course of ours might have drawn, say from the British Empire. He advises the President of the United States, to whom he addresses his letter, that we should take some step that would revive confidence in us, and if possible reawaken respect abroad—that is from Great Britain. We are regretful if we have lost the respect of our great and good friend.

Mr. President, we would like to reply gently to this gentleman, and say that as for America we would prefer to have this economist or any other know that as much as we are pleased to have respect from abroad, and would like to earn it and ever be worthy of it, we are more concerned that our policies give support and consolation to the American people and elicit their respect for the work of their own Nation, and more particularly for its dependence upon itself, without seeking counsel from its rivals, however much it may respect the wisdom of its competitors.

I then call attention that the eminent gentleman says that particularly the mathematical relation between general prices and the price of gold as set forth by America in its basis of change is a "foolish application", and then says that the movement of the American dollar may be called the "gyrations of the dollar", and that the gyrations of the American dollar is something as if it were on the "booze."

Mr. President, I will admit that the description of "booze" as applicable to the dollar has some propriety as under our dollars something of "booze" in these days may be enjoyed, and after a little of the "booze" a presumption of many dollars may be in the mind of the possessor, swaggering or tilting under the influence of the contribution. [Laughter.] But since we speak of dollars, in this connection, I refer to the expression of the eminent economist that the "American dollar is gyrating to and fro like something on a 'booze'" and ask, Why is nothing said of the pound which has been for some time gyrating to and fro like a small boy's balloon under the capering wind, or a manikin afflicted with St. Vitus dance? This eminent economist is unconscious of this, apparently, for it is to be hoped that only through unconsciousness would he have omitted altogether a reference so pertinent when he makes application of his criticism to the American dollar, which has, like Shakespeare's description of the North Star—fixed in permanency—as is no other fellow.

Mr. President, I now beg, sir, to impose upon my colleagues by asking them if they will hear my address to this eminent gentleman. I turn to this eminent economist and the scientific analysis that he represents as personified in himself, together with the conclusions of finance and the logic of government which he feels he tenders to the President as a sure guide of the course of our Nation to protect it against unemployment, and we ask, Will he not observe that on January 1 of this year the Ministry of Labor at London announced that the unemployed register on that day in Britain, with its small population compared to United States, December 18 totaled 2,225,000?

In this connection, might we not add the suggestion to this eminent British economist that he turn his attention to his own country and recall that the cry that went out during the World War from his native land was saying to all hesitant sons, "'Tis your mother that is calling you." Therefore, we invite his attention that at this date conditions in Britain are such that his mother is compelled to advocate a new unemployment insurance system in a form of dole provision by which 12,000,000 are to be insured against unemployment and that 16,000,000 must be provided for, or one third of the population of Great Britain, with no system to suggest what may be done for their hapless future.

At this point may we not call attention that we behold 6,150,000 men have been taken from the rolls of charity in America, and in the last 6 months of this administration America placed upon a paying basis of employment. That we have taken the 6,000 banks which cracked like eggshells under the crushing power of their master manipulators and given assurance to their depositors and capital to their new existence—and from this N.R.A. gave new credit to a hundred thousand new undertakings. Is this the "failure of the N.R.A", as asserts the economist, for the return of deposits?—as I must give credit, due to the labor of the eminent Senator from Michigan [Mr. VANDENBERG] and those of his colleagues in the Committee on Banking and Currency—this, in providing insurance to depositors. These depositors for the first time in their existence will have the assurance that their deposits are insured and that they will no longer be robbed by these master manipulators in America, as has been the late disclosures, sad to relate, in parts of the British Empire. Here is a new basis of a new confidence in America,

and this connection with new employment is a new revival of every form of commerce. The farmers are awakening in new hope; there is a new life among the humble toilers; the young men now of a civil outdoor employment, no longer upon the streets helpless and facing the possibility of destruction from the criminal and brigand bands that went up and down the land, availing themselves of these who, being hopeless, became then helpless against temptation.

May we not invite this eminent English economist, and the splendid land which he represents, to realize the revival of all undertakings and the arising prosperity that has awakened and arisen in America under the policy of our President, all under the policy which the economist has heretofore characterized to the world as "foolish" and wherein he says the N.R.A. and its work have all been a failure. We ask him, Will he not observe in another letter he writes the state of confidence of the American public, who, dispatching all differences of party politics, have in their splendid patriotism given their aid to their country, which, in the hour and day of its desolation pending the demolition of its institutions, would have been left in the situation that England a short while ago found herself but for the element of union and patriotism which our country ever delights to point as its inheritance? And when this eminent gentleman, styled "economist", shall proceed again to write another letter, let him recall the comparison between this land within the little time which it has had to serve itself and that which unhappily afflicts his own.

And may I suggest that, since he feels confidence in his own counselship and in his own guidance, he address himself to his own people and endeavor, perchance, to invest them with something of a new leadership under the guidance which he assumes to offer America and the President of the United States.

Mr. President, I conclude with but one final observation. It is not done with any pleasure on my part but out of a sense of fitness and, I might say, propriety to the situation in behalf of this eminent economist. I would suggest that there be other letters written by this economist to his home people, and I would insist upon it but for the fact that I am not sure how it would be accepted and what weight would be given in England to the eminent gentleman who has characterized our President as "foolish" and his advisers as "crack-brained", for I cannot fail to bring to your attention, Mr. President, that but a short while ago I was visited with much doubt and much hesitancy as to the estimate of this gentleman, as we had before us the communication in print, in magazine form, of Hon. Lloyd George, late Premier and World War dictator for Britain. Mr. George, in addressing himself in the great problem haunting Great Britain as it touches the world, adverted to certain individuals who assumed in their imaginary wisdom to correct all errors, overcome all obstacles, and propound the solution for all difficulties, and in this connection Mr. George referred to one whom he described as John Maynard Keynes as "a person of much insolence, great presumption, who assumes a remedy for all things; has never been right in anything; bold to assume anywhere his superiority of thought and a privilege of condemnation, but which to those who both know the writer and the conditions of England are constantly ignored, upon the theory that the prophet is without prophecy and his solutions of finance and economics without profit."

It is at this point, while we pay our respects to the gentleman, Mr. Keynes, and would invite him, before he writes another letter to the President and hurls his anathema, to come over and visit us and be received in our friendship, we trust, when he assumes to address another letter of similar assumption of authority and insolence of expression, he will recall that we beseech him to turn his attention homeward and, within the sanctity of the scriptural injunction "Physician, heal thyself," we say to the "eminent economist" in the language of our gentle admonition to our brethren around us at certain times justifying the observation: "Now, run along little boy; go home and play with your marbles; we wish you well; and a happy new year."

RETIREMENT AND DISABILITY FUND OF FOREIGN SERVICE

The PRESIDING OFFICER (Mr. KING in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith a report by the Acting Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1932, in connection with the Foreign Service retirement and disability system as, required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

(Enclosure: Report concerning retirement and disability fund, Foreign Service.)

PROPOSED NORTHWESTERN INTERNATIONAL HIGHWAY

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith the report made by the American commissioners appointed according to an act of Congress approved May 15, 1930. The act provided for their cooperation with Canadian representatives in a study regarding construction of a highway to connect the northwestern part of the United States with British Columbia, the Yukon territory, and Alaska. The work of the commission having been completed, its existence has been terminated.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

[Enclosure: Report.]

REPORT OF PERRY'S VICTORY MEMORIAL COMMISSION

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Library:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Fourteenth Annual Report of the Perry's Victory Memorial Commission for the year ended December 1, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

REPORT OF THE GOVERNOR OF THE PANAMA CANAL

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

REPORT OF THE COUNCIL OF NATIONAL DEFENSE

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Military Affairs:

To the Congress of the United States:

In compliance with paragraph 5, section 2, of the Army Appropriation Act, approved August 29, 1916, I transmit herewith the Seventeenth Annual Report of the Council of National Defense for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

ERECTION OF MEMORIALS AND ENTOMBMENT OF BODIES IN ARLINGTON MEMORIAL AMPHITHEATER

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Military Affairs:

To the Congress of the United States:

In compliance with the requirements of the act of Congress of March 4, 1921, I transmit herewith the Annual Report of the Commission on the Erection of Memorials and Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

REPORT OF UNITED STATES CIVIL SERVICE COMMISSION

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Civil Service:

To the Congress of the United States:

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the Fiftieth Annual Report of the United States Civil Service Commission for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

(NOTE.—Report accompanied similar message to the House of Representatives.)

AMENDMENT OF VETERANS' REGULATIONS

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and, with the accompanying six Executive orders, referred to the Committee on Finance:

To the Congress of the United States:

Pursuant to the provisions of section 20, title I, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith certified copies of Executive Orders No. 6229 (Veterans' Regulation No. 1 (b)), No. 6230 (Veterans' Regulation No. 2 (a)), No. 6231 Veterans' Regulation No. 3 (b)), No. 6232 (Veterans' Regulation No. 6 (a)), No. 6233 (Veterans' Regulation No. 7 (a)), and No. 6234 (Veterans' Regulation No. 10 (b)), approved by me on July 28, 1933.

These veterans' regulations amended the regulations approved by me on March 31, 1933, and June 6, 1933, and were issued in accordance with the terms of title I, Public, No. 2, Seventy-third Congress, "An act to maintain the credit of the United States Government", and Public, No. 78, Seventy-third Congress, "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

LAWS AND RESOLUTIONS OF NINTH PHILIPPINE LEGISLATURE

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and, with the accompanying copies of laws and resolutions, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 19 of the act of Congress approved August 29, 1916, entitled "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, and to provide a more autonomous government for those islands", I transmit herewith a set of the laws and resolutions enacted by the Ninth Philippine Legislature during its second special session January 16–31, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

LAWS OF THE TWELFTH LEGISLATURE OF PUERTO RICO

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and, with the accompanying copies of laws, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes", I transmit herewith certified copies of two volumes of laws enacted by the Twelfth Legislature of Puerto Rico during its fourth and fifth special sessions, October 18–21 and November 11–16, 1932, respectively, and by the Thirteenth Legislature of Puerto Rico during its first regular session, February 13 to April 15, 1933, and its first special session, August 1–14, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

ANNUAL REPORT OF THE GOVERNOR OF PUERTO RICO

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 12 of the act of Congress of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes", I transmit herewith for the information of the Congress the Thirty-third Annual Report of the Governor of Puerto Rico for the fiscal year ended June 30, 1933.

This report contains valuable information which it is believed should be available in permanent form. It has heretofore been customary for the President to recommend to the Congress the printing of the annual report of the Governor of Puerto Rico, the cost of such printing being charged against War Department appropriations. In the present case, however, due to special conditions not ordinarily obtaining, the Government of Puerto Rico has arranged to make available to the War Department a number of printed copies of the enclosed report, sufficient to meet the minimum needs of the Federal executive departments, and also to supply a limited number of copies for the requirements of the Congress. In view of these facts and of the urgent need of effecting exceptional economies at this time, the customary recommendation for the printing of the annual report of the Governor of Puerto Rico is omitted.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

FRANCHISES GRANTED BY PUBLIC SERVICE COMMISSION OF PUERTO RICO

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 38 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes", I transmit herewith certified copies of each of three franchises granted by the Public Service Commission of Puerto Rico. The franchises are described in the accompanying letter from the Secretary of War transmitting them to me.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

PROPOSED PHILIPPINE INDEPENDENCE

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying resolution of the Philippine Legislature, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

I transmit herewith for your information a copy of Concurrent Resolution No. 46, adopted October 17, 1933, by the Ninth Philippine Legislature during its third session, en-

titled "Concurrent resolution informing the Congress of the United States that the Philippine Legislature, in its own name and in that of the Filipino people, declines to accept the act of Congress, entitled 'An act 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,' in its present form and appointing a committee to proceed to the United States at the earliest practicable time to seek amendments to said act of Congress, or the enactment of such new legislation as will fully satisfy the aspirations of the Filipino people to become at the earliest practicable date a free and independent nation, under conditions and circumstances that will not imperil the political, social, and economic stability of their country."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

SESSION LAWS OF ALASKA, 1933

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

In compliance with the provisions of the act of Congress approved August 24, 1912, I transmit herewith a certified copy of the Session Laws of Alaska of the Alaska Territorial Legislature, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

(NOTE.—A copy of the laws accompanied similar message to the House of Representatives.)

CALL OF THE ROLL

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Couzens	Keyes	Robinson, Ark.
Ashurst	Cutting	King	Robinson, Ind.
Austin	Davis	La Follette	Russell
Bachman	Dickinson	Lewis	Schall
Bailey	Dill	Logan	Sheppard
Bankhead	Duffy	Lonergan	Shipstead
Barbour	Erickson	Long	Smith
Barkley	Fess	McAdoo	Steiwer
Black	Fletcher	McCarran	Stephens
Bone	Frazier	McGill	Thomas, Okla.
Brown	George	McKellar	Thomas, Utah
Bulkley	Glass	McNary	Thompson
Bulow	Goldsborough	Murphy	Townsend
Byrd	Gore	Neely	Trammell
Byrnes	Hale	Norris	Tydings
Capper	Harrison	Nye	Vandenberg
Caraway	Hastings	O'Mahoney	Van Nuys
Carey	Hatch	Overton	Wagner
Clark	Hatfield	Patterson	Walcott
Connally	Hayden	Pittman	Walsh
Coolidge	Hebert	Pope	Wheeler
Copeland	Johnson	Reed	White
Costigan	Kean	Reynolds	

Mr. LEWIS. My colleague [Mr. DIETRICH] has been and is still ill and is therefore necessarily absent. I ask that the announcement may stand for the day.

Mr. AUSTIN. I wish to announce the necessary absence of my colleague [Mr. GIBSON], and would like to have this announcement stand for the day.

The PRESIDING OFFICER. Ninety-one Senators have answered to their names. A quorum is present.

CARTER H. HARRISON

As in executive session,

Mr. LEWIS. Mr. President, at the request of the chairman of the Finance Committee [Mr. HARRISON], I report favorably the nomination of Hon. Carter H. Harrison to be collector of internal revenue of the city of Chicago. The report is approved by all interested, and I would like to say that no more notable, worthy nomination could be made than of this gentleman, five times mayor of Chicago. I hope it will be accepted and by the Senate confirmed.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator ask unanimous consent for the immediate consideration of the nomination?

Mr. HEBERT. Mr. President, I did not hear the request. May we have the request again stated for the information of the Senate?

Mr. LEWIS. I have presented from the Finance Committee a report of the nomination of Hon. Carter H. Harrison, and, at the request of the chairman of the Finance Committee, am asking confirmation at this time, because by some accident it was omitted when other nominations from the Finance Committee were reported.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. DILL. I think that policy ought not to be pursued at this time.

Mr. ROBINSON of Arkansas. Mr. President, I may say that I shall move an executive session after the legislative business of the day has been concluded and the matter may then be presented.

Mr. LEWIS. Very well.

The PRESIDING OFFICER. The nomination will be placed on the Executive Calendar.

POLICIES OF THE ADMINISTRATION

Mr. ROBINSON of Indiana. Mr. President, I desire to comment briefly on the two messages submitted by the President of the United States to the Congress within the last week. I have a notion in my own mind that one might go through the history of the Republic and examine all of the state papers of the various administrations and find none more remarkable than those two.

The message on the state of the Union was, of course, filled only with glittering generalties. I defy any Member of this body, familiar as he may be with the Government of his country, to read that message on the state of the Union and gain any enlightment whatever from its contents with reference to the state of the Union.

The second message dealt with the Budget. It is more unusual than the first and certainly more amazing in its contents. The President in that message very frankly stated to the Congress and to the country that next July 1 we will face a deficit of more than $7,000,000,000 in the Treasury of the United States, and this notwithstanding the fact that the President himself and his spokesmen have been going about the country during the past 6 months confidently assuring the American people that the Budget was balanced, that we were out of the red and into the black. Now the truth is out. The Budget is not balanced. Not only is it not balanced but it is in worse condition than perhaps it ever has been in the history of the Nation, not even excepting war-time conditions.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Indiana yield to the Senator from Mississippi?

Mr. ROBINSON of Indiana. In just a moment.

How strange it seems to some of us that the President of the United States, when he submitted his so-called "economy bill" last March, would have criticized the deficit of that day, left by the administration which preceded him and which was not a drop in the bucket compared with this enormous deficit which the country faces at the moment.

I yield now to the Senator from Mississippi.

Mr. HARRISON. Does the Senator from Indiana favor the public-works program provided by the Congress?

Mr. ROBINSON of Indiana. Mr. President, I do not care to be diverted into a discussion of the public-works program at this time. Suffice it to say that before I conclude, if the Senator will give me an opportunity to proceed, I hope to make some suggestions which, if they be followed on the other side, I believe will result in genuine relief and not simply a "shot in the arm."

Mr. HARRISON. May I ask the Senator if he criticizes the deficit which the President so frankly stated to the country exists, and whether he is in favor of the P.W.A.?

Mr. ROBINSON of Indiana. I shall not be diverted in the slightest degree to a discussion in other channels than those I select for myself on this occasion.

Mr. HARRISON. May I ask if it is fair for us to interpret that the Senator's criticism of this deficit is because he was opposed to the public-works program and the C.W.A. program?

Mr. ROBINSON of Indiana. As I said, I do not care to discuss that with the Senator at this moment. If he will do me the kindness to remain in his seat I think he will learn something in connection with my own views right along that line.

Mr. HARRISON. It will be the first time I ever learned anything from the Senator. [Laughter.]

Mr. ROBINSON of Indiana. I propose to proceed in my own way and not be diverted in the slightest by the Senator.

Mr. LONG. Mr. President, will the Senator from Indiana yield to me?

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

Mr. ROBINSON of Indiana. I yield.

Mr. LONG. I would not interrupt the Senator if he had not already had a little disturbance in the continuity of his remarks. I think I showed the Congress that we did not have to have a deficit even to have the public-works program. That has never been disputed.

Mr. ROBINSON of Indiana. Mr. President, I challenge the frankness on the part of the President himself. I contend that he has not been frank with the American people or else he was not familiar with conditions as they were. I desire to quote, for the benefit of the Senator from Mississippi [Mr. HARRISON] and any others who may be interested in the subject, from a speech made by the President of the United States on Monday October 2 last, to the National Convention of the American Legion, in which he used this language:

> It was because of this that we undertook to take the National Treasury out of the red and put it into the black; and in the doing of it we laid down two principles which directly affected benefits to veterans—to you, and to veterans of other wars.

"In the doing of it!" Now, Mr. President, it develops that it is not done. I wonder if the Senator from Mississippi would undertake to say that as recently as October 1 last, 3 months ago, the Chief Executive of the Nation was unaware of the fact that we were confronted with a deficit in the Treasury? At that time he said we were in the black.

Mr. HARRISON. Mr. President, does the Senator want me to answer that question?

Mr. ROBINSON of Indiana. No; the Senator will not need to answer it. It answers itself. Either the President of the United States knew at that time that the Budget would not be balanced, and therefore misrepresented the true facts to the American people and was not frank, or else the President of the United States was ignorant of the facts; and in either case it does not speak well for the administration.

Mr. President, the Budget now appears to be in the red—not in the black—$7,309,068,211.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Arkansas?

Mr. ROBINSON of Indiana. In a moment.

> Interest charges on the borrowings in excess of Budget estimates will slightly increase this figure.

Mr. President, we know how much the interest charges will increase this figure. The figure is above 7 billion dollars as it is, and the President admits in his Budget message that "interest charges will slightly increase" the figure that has been given to the country.

I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. Mr. President, does the Senator make no distinction between a balance of the Budget with respect to what are termed the ordinary expenses of the Government and extraordinary expenses incident to the recovery program?

Mr. ROBINSON of Indiana. Mr. President, we never have made such distinctions until this administration. Why should any distinctions be made? We have a certain amount of income and a certain amount of outgo. The outgo until July 1 will show a deficit of more than 7 billion dollars.

Mr. ROBINSON of Arkansas. The Senator, as I understand him, makes no distinction between the expenditures of the Government for ordinary governmental purposes and those expenditures which have been incident to an extraordinary and unusual program of legislation and administration. Am I correct in that?

Mr. ROBINSON of Indiana. And no distinction ever has been made until this administration came in. No distinction of that kind was made when the last administration went out, and the incoming President commented on the large deficit.

Mr. ROBINSON of Arkansas. Will the Senator yield for another question?

Mr. ROBINSON of Indiana. I yield.

Mr. ROBINSON of Arkansas. Does the Senator feel that in the statements he has read from the President there was neither a distinction in the mind of the Executive himself nor a distinction in the minds of those who heard him between the ordinary expenses of the Government and those which are incident to a very unusual program of legislation and administration? Does not the Senator know that that distinction was in the mind of the country, and is it not in the mind of the country now? Whether the distinction should be carried or not is not comprehended by my question.

Mr. ROBINSON of Indiana. There might have been some distinction in the mind of the country prior to the receipt of this Budget message by the Congress. I do not think there is any question in the country's mind today of just what the country faces, and the fact that we are plunging headlong toward national disaster unless the brakes are applied somewhere along the line.

Mr. ROBINSON of Arkansas. Just one more question. Is it the Senator's contention that the expenditures should have been kept within the revenues during that part of this administration that has elapsed?

Mr. ROBINSON of Indiana. It is my contention that there never should have been but one set of Budget figures kept at any stage of the game—just one, the expenses and the outgo. That has always been done. What was the necessity for any change?

Mr. ROBINSON of Arkansas. Very well. That is not responsive to the question that was asked the Senator, if I may express my opinion on that subject. Is it the Senator's contention now that the expenditures under the Budget and in the interest of the general welfare should have properly been kept within the revenues?

Mr. ROBINSON of Indiana. There is no way to tell what are extraordinary expenditures and what are normal expenditures. As a matter of fact, Mr. President, the President himself in his message almost states that fact. He states that there has been no coordinated audit at any time during the 9 months to date. I should like to read just what the President says on that subject.

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

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Kentucky?

Mr. ROBINSON of Indiana. No; not now. Wait a second. I read from the President's Budget message the folowing:

> Up to now there has been no coordinated control over emergency expenditures. Today, by Executive order, I have imposed that necessary control in the Bureau of the Budget.

In other words, the President admits that there has been no coordination among the departments. There has been no coordinated audit. How could we know how much has been spent if there is no audit? The President himself says there has not been such an audit for 9 months past, and consequently nobody in this body knows just how much has been spent; and I have heard it asserted that no one connected with the Government could estimate within $10,000,000 a day of what the actual expenditures were.

Let me read a little further from that:

Heretofore emergency expenditures have not been subject to audit by the Comptroller General of the General Accounting Office. Today I am, by Executive order, reposing in him the authority to conduct such an audit and to continue to audit each such expenditure. Hereafter, therefore, just as in the departmental expenditures, there will be in emergency expenditures a pre-Budget and a post-audit.

In other words, according to the President's own language, there has been no coordinated audit. Every Department down there has been going around doing just what it pleased, spending just as much money as it desired, hiring whom it desired, firing whom it pleased; and I dare say nobody connected with the Government today can tell the people of the United States how many persons are employed by the Government.

Talk about a Budget and about balancing a Budget, when nobody even knows how much is being spent or how many people are employed! Of course there could be no balancing of the Budget under such conditions.

The surprising thing is, Mr. President, that anyone would continue to go around over the country and insist that the Budget was balanced, when there never was a chance of its being balanced after the administration came into power. Yet last March we were told that it was necessary to discharge veterans from the hospitals, some in their underwear, in order to balance the Budget! It was necessary to remove disabled veterans from the hospitals of the United States that a grateful people had built for them that they might be nursed back to health as far as possible, and we were informed that it was necessary to kick them out as if they were dogs in order to balance the Budget! Now we find that with this prodigal spending of billions and billions and billions, with no restraining hand, no audit of any of the expenditures, the Budget is more than $7,000,000,000 out of balance!

Was it for that that these disabled veterans were added to the bread line? Was it for that that they were carried on stretchers out of the hospitals that the people had erected for them? Was it for that that the tax burden was transferred from the shoulders of the tax dodgers clustering around the stock exchange in Wall Street onto the backs of the farmers and the little property owners throughout the land, already taxed to death?

Ah, how solemnly those words were repeated time and again, and on this floor: "We must balance the Budget"; and in order to balance the Budget we took a pitiful $400,000,000—not a drop in the bucket by comparison with these enormous expenditures that have taken place since—we took approximately $400,000,000 from the lame, the sick, the halt, the blind, the wounded, and the sore, those who were battle scarred, and kept right on spending money prodigally until we had spent ourselves more than $7,000,000,000 in the red. Yet not one voice is raised within the administration circle in behalf of these disabled veterans who have been treated worse than dogs. Everything for Wall Street; everything for the National Economy League, that presumes now again to speak for this Congress and to this Congress and to the administration; everything for the tax-dodgers who for the past 2 years have refused to pay a cent of income taxes; but nothing, nothing, nothing but abuse and vilification for the defenders of the Nation, now disabled and on beds of pain, who must be kicked out ruthlessly, ruthlessly, to balance the Budget—to balance the Budget!

How hollow those words sound today, 6 months after the proud announcement had been made to the world that by kicking out the disabled veterans we had balanced the Budget!

Mr. LONG. Mr. President——

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

Mr. ROBINSON of Indiana. I yield to the Senator.

Mr. LONG. I am interested in knowing whether the Senator voted for the Long amendment to collect through taxation inheritances above $5,000,000 and incomes above $1,000,000 a year.

Mr. ROBINSON of Indiana. My recollection is that I voted for that amendment.

Mr. LONG. I thank the Senator.

Mr. ROBINSON of Indiana. I want to read something else from this message of last week, the Budget message. It is the President's own statement in this message that he himself has advertised to the country as being brutally frank. Let us see how frank it is. I quote from the President:

The results of expenditures already made show themselves in concrete form in better prices for farm commodities.

"Better prices for farm commodities." Just let me refer to a letter I have just received from a farmer out in Indiana. Prices! This farmer sent to Indianapolis an 810-pound cow, 5 years old, and in fair condition. He received for that cow $4.97. He received $4.97 for the whole cow! Yet the President says here, "The results of the expenditures already made show themselves in concrete form in better prices for farm commodities."

A farmer friend of mine out in Indiana, just before I left to come here, sitting beside me at luncheon, told me of an experience he had had the day before. Needing some money, he sought a market for a Jersey cow weighing 700 pounds, and the best market he could find was $3 for the cow. Never in the history of this country were some farm commodities so low in price, not even in Cleveland's day.

Mr. CAREY. Mr. President, the farmer in Indiana should be congratulated. I know a Wyoming farmer who received 50 cents for a cow.

Mr. ROBINSON of Indiana. Think of it, 50 cents for a cow in Wyoming! Yet the President of the United States says:

The results of the expenditures already made show themselves in concrete form in better prices for farm commodities.

How about the prices of dairy products of all kinds? Were they ever so low? Is that the way the whole recovery program is working out?—

In renewed business activity, in increased employment.

Mr. President, far be it from me to take from the President or his administration any credit which they deserve, but let me read, in reply to that part of his statement, from a prominent business publication. This is dated January 1, this year:

Two independent estimates of rising unemployment, made public last week, cast something of a shadow over the optimistic reports of retail trade, rising steel production, and building activity. William Green, in commenting on the American Federation of Labor's figures, which showed a rise in industrial unemployment, to 10,702,000 in November from 10,122,000 in October, said that unemployment had continued to rise in the first half of December and is now increasing faster than at any time since January. The National Industrial Conference Board estimate confirms the American Federation of Labor trend and shows a 5 percent decline in November employment, a 10.7 percent drop in total hours worked, and a 9.8 percent shrinkage in pay rolls.

Another bit of evidence as to business conditions is given by the most recent figures of bank debits, which are accepted as a reliable trade indicator. Ordinarily debits rise sharply in December, reflecting the more active transfer of bank funds, but in the 4 weeks ended December 21 aggregate debits in 141 large cities were roughly $1,500,000,000 below the 4 weeks ended November 22, whereas a year ago there was a rise of $2,600,000,000 in the corresponding period.

It is possible that the declines in employment and pay rolls and the kind of business activity reflected by bank debits have not had a more direct repercussion on retail trade and on some special industries because they have been counterbalanced by Federal relief expenditures. In the first 22 days of December Government emergency expenditures (the "extraordinary" Budget) totaled $346,000,000, or $15,700,000 a day. In all October the figure was only $104,000,000. C.W.A. payments alone from December 1 to 22 were $53,842,000—which would exceed by nearly one half total wage payments at $20 weekly to the 580,000 who lost private employment in November, as shown by the American Federation of Labor estimate.

In other words, according to the estimate of the American Federation of Labor, in November 580,000 additional workers lost their jobs.

Mr. President, I challenge the President's statement that—

The result of the expenditures already made show themselves in concrete form in better prices for farm commodities, in renewed business activity.

That condition does not exist.

The statement continues: "In increased employment." I have just read the figures, showing that there is not increased employment, but increased unemployment. The only only activity where employment has been increased is that in connection with which the money of the Government has been spent—for the Civil Works Administration and otherwise.

Finally, says the President, "results show themselves in the reopening of and restored confidence in banks." The story of the banks is a long one. He speaks of the banks being restored, when, as a matter of fact, there are today $10,000,000,000 of frozen deposits in banks of the country which are still unopened or are operating on a restricted basis. The best way to bring back prosperity is to thaw out those deposits. They represent much more in potential purchasing power than the actual deposits.

Therefore, since purchasing power is the thing which makes the recovery machine go, the best plan in the world would be to thaw out these deposits. These deposits belong not to the Government, not to the banks, but to the American people, and if we put this purchasing power in their hands, their own purchasing power, their own money, then we will find industrial activity on all sides resuming on a permanent basis. It will not be just temporary.

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

Mr. ROBINSON of Indiana. I yield.

Mr. LOGAN. I will ask the Senator, then, whether he approves of the lending of something like a billion dollars by the Reconstruction Finance Corporation to the banks for exactly the purposes he has been discussing and, if he does, whether he believes that the loans for that purpose should be continued.

Mr. ROBINSON of Indiana. I do not know how much has been loaned. I know it is a comparatively small amount, and I know that all of that money belongs to the people, not to the banks, or even to the Government, and it ought to be restored to the people. When we restore it to the people we will restore purchasing power, and when we restore purchasing power business activity will resume, and then we will commence absorbing this unemployment on the street. The ten to fifteen million men on the streets, looking for jobs, with none to be found, will then have work to do, and it will be permanent work, and the purchasing power will be permanent. We will restore the American market and, therefore, restore American prosperity.

Mr. LOGAN. May I ask the Senator how he would propose to release this vast amount of deposits which are frozen, unless the Government finds it possible in some way to advance the money to the banks, and if it does that, will it not still further increase the deficit?

Mr. ROBINSON of Indiana. In lieu of some of the mad spending which has been going on I am suggesting a plan by which the Government would get permanent results for its money and restore this money to the people. As it stands at present, the Government is insisting that credit be extended, it is insisting to the banks all over the country that they extend more liberal credit on a long-term basis when, at the same time, the Government is holding over the heads of these banks, even the small country banks, and the bigger banks elsewhere, the measuring rod of liquidity, rather than of solvency. Even though a bank may be perfectly solvent, if it is not yet completely liquid according to the Government standard, then liquidation is forced, and when liquidation is forced, who suffers? The depositor suffers. He is the injured party. He is also the innocent party. It is his money, not the bank's money, not the Government's money.

As long as the Government insists on this tight-fisted policy of liquidity rather than solvency, just so long will the banks continue to hold 80 to 90 percent of their funds liquid, and just so long will they refuse to extend credit to starved and hungry and sick business, and as long as business cannot resume the ten to fifteen million men walking the streets must continue to walk the streets, for they cannot find jobs. In the long run the Government cannot afford to keep that situation in existence. Furthermore, some day we will have to pay back the $32,000,000,000 this Government is going to owe during the next year.

Mr. LOGAN. Mr. President, will the Senator please explain what he means by the 'mad spending" of money by the Government? What particular expenditure of money would the Senator call "mad spending"?

Mr. ROBINSON of Indiana. Did the Senator ever hear of the tree setters, the tree planters, all over the United States, 1,450 camps, which I think they call the Civilian Conservation Corps camps? I think they are the civilian conservation camps, reforestation camps. That just reminds me that the other day some friends in Indiana called upon me and said they had just finished clearing 14 or 15 acres of forest land so as to make camps for the winter. In that instance it is deforestation and not reforestation. They are cutting down trees, not planting them.

Mr. LOGAN. Then the Senator holds that the "mad spending" is in the Civilian Conservation Corps camps?

Mr. ROBINSON of Indiana. But the Senator asked me to mention one way in which there had been mad spending of which I did not approve, and I mentioned one way. That has cost approximately a billion dollars. What good do we get out of it except to build up a military machine? Is it the Senator's idea that the object is ultimately to build up a dictatorship in this country—that the Regular Army cannot be built up so large without suspicion?

I wish the Senator would get the questionnaires which have been sent to these camps and examine the reports which go to headquarters.

That is one thing of which I do not approve, I will say to the Senator. I do not see any occasion for spending a billion dollars for the tree-setters. They, 18 to 25 years of age, were in better shape to withstand this depression than anybody else. Certainly they were better able to withstand the depression than soldiers that were sick, old soldiers in the hospitals on beds of pain, who were ruthlessly kicked out to balance the Budget, which we find now is more than $7,000,000,000 in the red.

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

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

Mr. ROBINSON of Indiana. I yield.

Mr. BYRNES. I should like to ask the Senator from Indiana, following the question of the Senator from Kentucky, whether the Senator from Indiana is opposed to the loans made to Indiana—State, counties, and municipalities—for construction purposes, to put men back in jobs?

Mr. ROBINSON of Indiana. Mr. President, I do not care to go into that question. I wish to complete what I had undertaken to say.

Mr. BYRNES. The Senator can say whether he is opposed to the allocation of the money that has been used for those loans, which money certainly goes into the deficit which he is discussing.

Mr. ROBINSON of Indiana. The Senator from South Carolina picks out one isolated situation. Let me give the Senator one.

In the first place, it was proposed that we establish these C.C.C. camps and pay the tree planters $1 a day for planting trees. The question was how to get the money immediately to start the project into motion. Do the Senators know how we got it? This is the way:

Mr. President, we had a fund of $148,000,000 remaining over from the last administration. It was an emergency building fund. The Senators will remember that it was for the construction of public buildings, emergency buildings, to relieve the depression. That fund of $148,000,000 had been allocated to the building trades—that is to say, to the bricklayers, to the carpenters, to the joiners, the stonemasons, the cement mixers, the house painters and decorators, and to those in allied lines of industry. The blueprints had been drawn, and the sites had been selected—

one out in Plymouth, Ind., my own State. Going to American labor, that fund was calculated to uphold the American wage scale, to uphold the American standard of living, to uphold purchasing power, and therefore ultimately to restore prosperity at the earliest possible moment.

Do Senators know what happened under this legislation? The administration deliberately diverted that fund of $148,000,000 from its true purpose and turned it over to the tree setters. No wonder American labor protested most vigorously against that unfair measure, which robbed labor of $148,000,000—labor in the building trades!

That is not all. As soon as we could get to it then, we took $400,000,000 out of the pockets of the disabled veterans of the United States and their dependents, and we gave that to the tree planters.

It will now require as much, perhaps, as one half billion dollars additional to keep these tree planters going for 1 full year. A whole billion dollars spent on that sort of thing. I understand we now have more than 1,400 of these camps in the United States. What is the purpose of the camps?

The lads will be worse off when they get out than they were before. What have they gained by it? The administration has been brutally frank on some subjects. Why not be brutally frank on this subject and tell what the President is doing, and why?

That is one thing I want to say, Mr. President, to the Senator. One billion dollars has been worse than squandered, deliberately taken from the disabled veteran, from American labor, from the underpaid Federal employees, and from the Treasury.

Mr. BYRNES. Mr. President, the Senator having expressed his opinion on that subject, will he now tell us whether he is opposed to the loans to Indiana for construction purposes to put men back in jobs?

Mr. ROBINSON of Indiana. Mr. President, Indiana is in the same situation as every other State in the Union. I do not propose to discriminate between my home State and any other States. It is like the tariff question. If I am for a tariff, I am for that tariff everywhere, not only as applying to Indiana. In that respect I am different from some of my friends on the other side of the Chamber, who are interested in tariffs for their own States but not for other States.

Mr. BYRNES. Will the Senator yield?

Mr. ROBINSON of Indiana. Mr. President, I do not wish to be further interrupted.

The PRESIDING OFFICER. The Senator from Indiana declines to be interrupted further.

Mr. ROBINSON of Indiana. Mr. President, I should have thought that in this Budget message the Chief Executive would have suggested some way in which he proposed ultimately to pay off this indebtedness, assuming that it can be contracted. Not one word is said on that subject.

The President bluntly makes the statement that in the next year or so the national bonded indebtedness will be approximately $32,000,000,000. That is more than $5,000,000,000 over and above the highest amount of our national indebtedness after the war was over.

One would think that in a message coming to the Congress the President would suggest some method of paying off this great indebtedness that he is intending to contract. The President suggests we are going to borrow $10,000,000,000—$6,000,000,000 of new money; $4,000,000,000 to refund other obligations now existent and that will become due—but he does not say a word about where the money is to come from, and I imagine the people of the country would like to know.

Mr. President, I remember one thing that took place back in Indiana last fall, not so long ago. I do not think it is over 3 months ago. I then with my own ears heard the Chief Executive say over the radio, words to this effect—I do not have the exact quotation here, but can get it, assuming that it is in print:

Washington has the money.

This is substantially what he said:

If any of you folks out there have mortgages coming due and confronting you now, or are weary and heavy-laden, just wire me. Just wire me.

I read somewhere that the President of the United States has received a million letters and telegrams since March 4 last. I am not surprised at that. I am wondering if there were not more than 1,000,000 as a result of this one statement to which I have just referred. Imagine the situation. This was the Chief Executive of the Nation talking over the radio to an expectant people all over the land.

Washington has the money.

He said:

If any of your folks out there within sound of my voice need any money, wire me.

How much money do you suppose he ever sent to the untold thousands who wired him? My understanding is that a printed or mimeographed sheet of paper was sent out to each one of those who wrote in, saying, "Apply to your nearest loan agent."

Is that "brutally frank", Mr. President? Is that coming clean with the American people? "Washington has the money"; and now it develops that Washington not only has not the money but it has $7,000,000,000 less than the money.

Why did the President make that statement, "Washington has the money", when he must have known at the time that there was staring in the face of the National Treasury a deficit of more than $7,000,000,000?

"Washington has the money. Write in." If it were not the President of the United States, we would characterize such speeches as that by a rather ugly term, Mr. President.

Now the President says:

We have not the money; but in order to make clear to the country what our borrowing problem is for the next 6 months, permit me to remind you that we shall have to borrow approximately $6,000,000,000 of new money, and, in addition, $4,000,000,000 to meet maturities of a like amount.

That is $10,000,000,000. Maybe we can borrow it. I do not know. We have not attempted it yet in this administration. Let that be understood. Everything so far has been short-term borrowing. It is true that last month something more than $900,000,000 was raised from the sale of notes, but they were 1-year issues—12 months. The test will come when you undertake to do some of this refunding on a long-time basis—15 or 20 years or more. Then see what you do, those who are so much interested in maintaining the credit of the United States; so much interested, indeed, that it was necessary, it was said, to pass a bill here that would drive the disabled veterans out of the hospitals of the country that had been erected for them.

How is this money going to be raised, Mr. President? Surely the President has a way of raising it. How does he propose to raise it? I will tell you, sir, how he proposes to raise it, according to the Washington Star of yesterday. Let me read from the Washington Star of yesterday, and this will give you some enlightment on the method the President has in mind—he and his Secretary of the Treasury—of raising this money:

Because of Bailie's long experience in the investment-banking field, Morgenthau's plan was for him to take active charge of the vast borrowing operations which the Government must undertake in the next 6 months, and for which plans were said yesterday to be advancing.

That is an Associated Press story appearing yesterday. Who is Mr. Bailie, that he is to be given such vast power as this? Mr. President, since it has developed that the administration was imposing such great confidence in Mr. Bailie, let us see who Mr. Bailie is. I shall now read from a publication dated January 1 that has been placed in my hands within the last few hours:

Stunned by the appointment of Earle S. Bailie, central figure in the unsavory investment-trust promotions of J. and W. Seligman & Co. during 1929, as the power behind the new Morgenthau throne, Senators are preparing to ask some pointed questions when his appointment as Assistant Secretary of the Treasury comes before them this January. The elevation to a dominating position in the Treasury of a man of the Bailie type by an administration which has vaunted its determination to drive the money changers out of the temple is regarded as little short of a travesty upon all administration professions.

Thousands of unfortunate investors throughout the United States remember Bailie as the man who, as chairman of the Tri-Continental Investment Trust in 1929, unloaded $50,000,000 of stock upon the public in a new organization known as "The Tri-Continental Allied Co." upon the claim, set forth in legally air-

tight language in his official publicity releases, that the earnings on the first investment-trust common stock had been 42 percent during its first 6 months. Investors who believed Bailie's carefully worded estimates of earnings found themselves after 4 years holding common stock which represented a 100 percent loss of its asset value, or preferred stock which, so far from earning money, had behind it only $88.31 asset value per share. The selection of the man who has been humorously referred to by some of his colleagues in the Street as "42 Percent Bailie" to administer the Treasury at a time when the new Securities Act is to be recast into permanent form has sent the tremors up the spines of official Washington.

He is quite "some man", Mr. President. I want to read a little more. I want to show the Senate how Mr. Bailie operated in South America. I still quote:

It was Bailie's genius to take these third-rate credit-risk foreign borrowers and market fabulous amounts of their securities. On Peru, Bailie did his best piece of work. His plan there was to create for Seligman's a strangle hold on Peru comparable to that which his firm had been given on Nicaragua, thanks to the dollar diplomacy of the State Department in seach of canal rights in Nicaragua. As Mr. Bailie did not have the State Department to assist him in Peru to the extent to which they had aided his firm in Nicaragua, Mr. Bailie worked through Juan Leguia, the son of President Leguia, a dictator who seized and held power in Peru from 1920 to 1930, when he was ousted by revolution. Mr. Bailie's associates, presumably under his direction, fixed the son of the President of Peru by paying him about a half of 1 percent commission or over a half a million dollars on a hundred million dollars of Peruvian bonds, 85 millions of which were sold to American investor in 1927–28 at upwards of 90 cents on the dollar. These bonds are now in default and are quoted at around 10 cents on the dollar. Bailie's firm made approximately a million dollars on this business. President Leguia's son got his commission, and the American investors were left holding the bag.

Mr. President, there is the man whom our youthful Secretary of the Treasury had selected as his right-hand man to float the $10,000,000,000 that the President says will be necessary to be raised during the next year. We had a new face now in the official picture—Mr. Bailie. If I may read further:

What was the outcome for the investors? After less than 4 years of administration by Chairman Bailie, Tri-Continental common on December 31, 1932, had no asset value at all, while the preferred stock had an asset value of only $88.31 per share. In other words, in 4 years Mr. Bailie, by the use of good judgment, turned $100,000,000 entrusted to him in the 7 months between December 1928 and July 1929 into about $33,000,000. Instead of earning 42 percent a year, he has lost about two thirds of $100,000,000 of the investors' money entrusted to him for investment management.

I quote further:

The official Roosevelt organ said in defense of Mr. Bailie's appointment to the Treasury that he had been chosen because "he knew the trick of placing securities."

Well, there is no doubt that he is a master of security tricks.

That is the man. Drive the money changers out of the temple! All of us were thrilled when we heard the President's inaugural address last March 4 and listened to the words, "Drive the money changers out of the temple." What happened? They came rushing into the temple. There came the first Secretary of the Treasury, who, by uncontroverted evidence, was on five of the pet lists, called "preferred lists" of the House of Morgan, receiving just because of his prominence, princely gratuities for which he rendered no services whatever; "he toiled not, neither did he spin." He is now out.

Mr. Morganthau comes in. Who does Mr. Morganthau immediately place in the Treasury as Assistant Secretary of the Treasury, as his right-hand man, to handle all the vast financial work that is now being undertaken by the administration, without any suggestion as to how they are going about it, for the President has not seen fit to tell us how he proposes to do it? He just says we are going to do it; he does not explain how we are going to pay it back or anything of that sort; there is no question raised on that score. Mr. Bailie is selected for the job.

Mr. President, here is the sequel.

The headlines yesterday in the Washington Star read as follows:

Bailie quits post as fiscal expert. Resignation removes final objection to Morganthau's confirmation.

But Morganthau loved him just the same. I quote Mr. Morganthau's letter accepting Mr. Bailie's resignation. This is what the youthful Secretary of the Treasury has to say to Mr. Bailie, quoting from the Washington Star of yesterday:

JANUARY 6, 1934.

DEAR EARLE: In reply to your letter of January 5, I can only repeat what I have already told you, how much I regret that you find it necessary to return to New York. During your short stay at the Treasury you have rendered real service to the President and to me.

If he had stayed there another month, he would have had the whole Treasury [laughter], if one may judge by what he did in Peru, where, according to the evidence, he and those associated with him deliberately bribed the son of President Leguia and paid him hundreds of thousands of dollars in order to obtain certain concessions there.

During your short stay at the Treasury you have rendered real service to the President and to me.

I appreciate greatly the personal sacrifice that Mrs. Bailie and you made in coming down here.

My best wishes go with you.

Very sincerely yours,

HENRY MORGENTHAU.

The point is, Mr. President, that the close friendship still exists. Of all the men available in the United States, Mr. Morgenthau selected Mr. Bailie—"42 percent Bailie"—to become Assistant Secretary of the Treasury. What state of mind can one be in who will select such a man for this vast undertaking? How does he expect ever to hold the confidence of the people of the United States? And this sort of thing is done and men of this character are employed to take charge of the vast fiscal activities of the Government.

Drive the money changers out of the temple! Mr. President, apparently they are not only not driven out but they are given front seats; they have the choice pews.

What has got to be done, Mr. President, before there can be any real recovery in this country? Before there can be any real economic recovery there must be spiritual recovery, a return to common decency, the decency of the fathers, a return to the time when dishonesty at the top will not be permitted for a moment, because it finds its way down through all the strata of society, permeates the whole, perverts it all. Honesty is still the best policy. Honesty at the top going down through all the strata of society leaves it clean and wholesome, and until we restore some sense of decency as the fathers knew it we shall have no economic recovery. The necessary thing is to take the Government out of Wall Street.

This Bailie incident is tragic. Instead of restoring confidence in the Government of the United States it destroys confidence at a time when confidence is needed as never before in the history of this Republic.

GOVERNOR OF HAWAII

During the delivery of the speech of Mr. ROBINSON of Indiana,

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, the title of which will be stated.

The LEGISLATIVE CLERK. A bill (H.R. 5767) to authorize the appointment of the Governor of Hawaii without regard to his being a citizen or resident of Hawaii.

Mr. ROBINSON of Arkansas. I make the motion now to recommit the bill, the title of which has just been stated, to the Committee on Territories and Insular Affairs.

Mr. MCNARY. I desire to inquire is the bill the first one on the calendar?

Mr. ROBINSON of Arkansas. No; it is the bill which is the unfinished business. It is a bill relating to the appointment of a Governor of Hawaii.

Mr. MCNARY. I am certain that the Senator from California [Mr. JOHNSON] wishes to discuss the first bill that is on the calendar.

Mr. ROBINSON of Arkansas. This bill has no relation to that.

The PRESIDING OFFICER. If there be no objection, the bill which is now the unfinished business will be recommitted to the Committee on Territories and Insular Affairs.

POLICIES OF THE ADMINISTRATION

After the conclusion of the speech of Mr. ROBINSON of Indiana,

Mr. ROBINSON of Arkansas. Mr. President, no one who is familiar with the fiscal affairs of our Government can contemplate them without a measure of concern and anxiety. It is certainly true that since the new administration came into authority enormous and unusual amounts have been authorized to be expended. Looking into affairs at present and anticipating the future, anyone who is concerned with the credit of our Government realizes that it will be utterly impossible to carry forward a program of national recovery such as has been initiated without incurring a very large deficit unless heavy taxes in the form of capital taxes be imposed.

Your present speaker has taken occasion in public addresses to point out the consideration that always, when the Federal Government enters a sphere of activity, its operations and workings tend to become exclusive. I have not the slightest doubt that when the clouds have been dispelled and the sun of prosperity again shines in splendor on this great land of ours we will have new problems that in part will have grown out of the course which it has been found necessary to pursue during the depression.

The Senator from Indiana [Mr. ROBINSON] with his usual heat and impetuosity has in a forceful address bitterly condemned the national recovery program. For the most part he has declined to segregate the features of that program and to express condemnation as to particular phases of it, with the single exception of the Civilian Conservation Corps. He began his address with a statement that I controvert with all the emphasis at my command. That feature of his remarks was not related directly to the very profound issues involved in the fiscal policy now being carried on by the Treasury. It was a gratuitous and, to me, unjust and unfounded attack on the President, in the following language:

> I defy any Member of this body to read his annual message and to obtain any information on the state of the Union.

It is said that comparisons are invidious. If I disregarded that axiom and made a comparison between the President's annual message and the speech just delivered by my friend from Indiana, I know what would be the vote of every Senator in this Chamber, except the Senator from Indiana. If we take the standpoint of statesmanship and moderate expression founded on reason and sound judgment, and compare the President's annual message with the address just delivered by the Senator from Indiana, I have no doubt as to the results of the comparison.

Almost every Member of this body was called on by the press, immediately following the delivery of the annual message, to express his opinion as to the importance and effect of the message. I am not going to put into the RECORD the opinions expressed from this side of the Chamber and those expressed from the other side of the Chamber, but the consensus is, and was, that it was an able document, one of the most forceful and appealing messages that has ever been delivered to the Congress of the United States. For my part, I must ask leave to accept the opinion of the Senator from Oregon [Mr. MCNARY] and other Senators on the other side of the Chamber as against that of the Senator from Indiana. The simple truth of the matter is that the message was received by the Nation with applause; and during 30 years in Congress I have never witnessed on a similar occasion such enthusiasm as was displayed in the Hall of the House of Representatives during the delivery of that address.

The Senator from Indiana says the President admits a large deficit, but that he and those associated with him in politics have been going about the country crying that the Budget is balanced.

I want to ask Senators, not for an answer, because it would embarrass them; but do they believe that is a fair criticism of the course taken by the President? Do they believe that the Chief Executive has been boasting that the Budget is balanced in the sense referred to by my friend the Senator from Indiana?

Why, Mr. President, we all know that the President has repeatedly stated that the extraordinary expenditures incident to the national-recovery program have unavoidably kept the Budget out of balance. The statement has been made that with respect to usual Government expenses the Budget is in approximate balance, and I believe that to be true.

In the next breath the Senator from Indiana says that the President is not frank. I appeal to those men who sit in the press gallery, who have the duty of reporting to the country the proceedings of the Executive and of the Congress, whether the Budget message was not the frankest Budget message that has come to the Congress during their memory. I ask leave now, Mr. President, to compare it in general terms with those Budget messages about which the Senator from Indiana remains silent—Budget messages which claimed that "just around the corner" the Budget would be balanced, that there was no substantial difference between expenditures and outlay, when experience showed that deficits were growing all the time during the administrations that immediately preceded the administration of President Roosevelt. Instead of giving you figures to enable you to mislead the country, if you desired to do so; instead of causing you to represent that no substantial deficit existed, the President of the United States rather exaggerated the deficit. He stated the maximum of expenditures and the minimum of revenues; and if there is a man in the press gallery who does not believe that to be true I should like to have him tell me so, either privately or publicly.

The President, however, is not frank enough to please my friend, the Senator from Indiana. The President has not used language "unbecoming an officer and a gentlemen." He has not gone out of the sphere of proper expression to attack anyone. He has told the truth, and the country respects him for it. From limit to limit of this great continent has sounded a round of applause that at last there is in the White House a man who will not misrepresent or conceal facts pertaining to national expenditures.

The Senator says these expenditures have not been made in the interest of the public; that they have been made for the benefit of Wall Street. Do you, sirs, believe that to be true? Do you believe that President Roosevelt and his policies have lent themselves to the support of Wall Street? If you will analyze the national recovery program and just use a little common sense with respect to the purposes underlying the expenditures, you will know that that statement was conceived in an imagination which has little relation to facts.

What are some of the features of this national recovery program? First, there is the effort to adjust farm commodity prices. We may differ; Senators differ on almost every important question that arises. There rarely results unanimity of sentiment here on any dispute that comes before the Congress; but I think there is one thing that all will concede is true, and that is that the effort to raise the prices of farm products, the effort to finance farm mortgages and home loans, the effort to promote national recovery through the National Recovery Act, have not been regarded by any serious-minded persons as in the interest of Wall Street or great financial combinations. It is a peculiarity of this program that every feature of it is intended to be applied in the interest of the general public and for the purpose of promoting the recovery of the Nation as a whole.

I have no quarrel with those who criticize features of the program. I have some little impatience with one who votes for a program and then refuses to accept his share of responsibility for it. But if you will consider the program as a whole, it has been carefully thought out for the purpose of bringing about a revival of confidence and a restoration of business activities to the normal.

The Senator from Indiana talks about ignorance or misrepresentation on the part of the President in connection with the Budget. I might, if I chose to retort in kind, make

a similar characterization of the remarks of the Senator from Indiana when he said that the way to bring about national recovery was to thaw out the frozen deposits in national banks—just as if he did not know that a material part of the program that has already been carried out is the advancing of hundreds of millions of dollars through the Reconstruction Finance Corporation to unfreeze deposits in closed national banks, to enable them to carry forward their normal activities and to give assurance to depositors that they will be paid.

I cannot account for such a statement in a speech in the Senate of the United States when I look at the figures that are available to every one.

Up to January 1, 1934, there had been approved a total number of 3,391 loans to closed banks or banks in distress for the very purpose referred to by the Senator from Indiana, these loans carrying with them an aggregate amount of $248,373,350. But the Senator from Indiana says that a foolish thing was done; that a measuring-rod was applied, having in mind liquidation rather than insolvency. There, again, he discloses such unfamiliarity with the facts that I am unable to give my usual credence to the remarks of the Senator from Indiana, for the rule applied was that banks with 10-percent impairment of capital should be entitled to assistance as well as those whose capital had not been impaired in the slightest degree. The result is that the closed banks applying for loans, with the exception of only about a hundred and fifty-four—the exact number I have not before me—have been sustained, their deposits are being thawed, and the very plan which the Senator from Indiana insists is the sole plan properly to be approved for national recovery constitutes one feature of the plan or program that is already in operation.

The President and those who are associated with him did not believe it wise to rely on any one measure as sufficient to bring about the desired results. After presenting the subject to the Congress, there was authorized a very large public-works program. There is ground for objection to this policy, and I make no complaint as to those who in good faith believe that public works will not sufficiently aid unemployment to justify the expenditures from the Treasury that are required. Nevertheless, in every part of this Union there are now at work, in the aggregate, millions who would still be without the opportunity to earn wages if it were not for the public-works program.

The Senator from Indiana was vigorous in his attack on the C.C.C., the Civilian Conservation Corps, and he ridiculed the members of that corps as "tree setters." He wondered what was the purpose of the organization and condemned the President for not explaining to the Congress its purpose.

Mr. President, if there is anyone here so lacking in intelligence as to require information on that subject, let me tell him that at the time the Civilian Conservation Corps was conceived and planned there were literally millions of boys and young men in this Nation out of employment, most of them red-blooded, vigorous, and anxious to obtain opportunities to promote their own interests. Millions of them were walking the highways. Millions of them were gathering about the dens in the great cities of the Nation, for there were no other places for them to go. The Senator from Indiana may tell the Senate but he will never convince the people of the United States that it was not a well-considered action to gather together as many as possible of those young men and to give them places of assembly and training and service, useful service to the people of the country. It is far better than to have them become tramps. It is far better than to have instilled in their hearts and minds a spirit of rebellion and resentment.

It was a great work. Whatever one may think of the Civilian Conservation Corps program as a whole, it has performed the purpose for which it was planned. It has taken young men from spheres of life in which they might have become not only useless to themselves and their families, but positive instruments for harm, and put them into organizations where they will acquire a training which, in spite of the condemnation of the Senator from Indiana, will be useful to them in all the years of their lives. It is a great thing to redeem a young man from lost opportunities. It is a greater thing to bring to him opportunities in the hour of extremity and discouragement.

This business of tree setting, which the Senator from Indiana ridicules so viciously, relates to a subject of very great importance to the people of this Nation. During the last century our forests have been almost destroyed. There have occurred great wastes, and those who look to the future with interest and anxiety realize that there is necessity for reforestation. Whatever hours may have been without immediate profit from the work by the members of the Civilian Conservation Corps, the purpose of the organization is an exalted and useful one, one of inestimable value not only to the present but to the future.

The Senator from Indiana asked, as if he believed it to be true, whether the object of the Civilian Conservation Corps was to create military machinery, implying that there is some ulterior motive in the minds of the sponsors of the act in bringing it forward and in administering it. So far as the Army has had jurisdiction of the subject, no one need apologize for the manner in which it has performed its duties in connection with the Civilian Conservation Corps. In every part of this country there are groups of these young men who are constantly becoming better and better citizens. They understand the traditions which underlie and support our flag and the institutions of this country.

It is asked, What benefit will it be to them when they go out of the camps? Benefits which cannot be measured merely in dollars and cents will result. They will be better men, better fitted to perform the duties of life. They will be better citizens, better prepared to support the institutions which we all love.

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

Mr. ROBINSON of Arkansas. I yield.

Mr. LOGAN. I believe it is true that nearly all of the boys who joined the civilian conservation camps made an allotment of $25 out of the $30 a month which they received, for the relief of dependents, fathers and mothers, and sisters and brothers, who actually were needing help.

Mr. ROBINSON of Arkansas. I thank the Senator from Kentucky for that suggestion; it had escaped my memory. Yes, Mr. President; every boy who entered a conservation camp was given the opportunity; most of them were required to set aside a part of their earnings for the benefit of the members of their families; so that we were not only benefiting the lads themselves but we were benefiting those who were behind them in their homes, and thus in a practical sense supporting the general policy of national recovery.

The sum and substance of the argument of the Senator from Indiana is to the effect that the national recovery program has been a failure, that it has not accomplished anything worth while, but that on the contrary, it has imposed a debt on the country, and is imposing a debt on the country which will be difficult to pay.

In the beginning of my remarks I conceded the magnitude of the obligation and the difficulties which will be encountered in meeting that obligation, but I do not believe there is anyone who hears me who agrees with the assertion of the Senator from Indiana that there has not been material improvement in the affairs of the people of this Nation since the national recovery program was initiated.

I am going to call as witnesses men who have not that bias and prejudice which the Senator from Indiana and the Senator from Arkansas may be held to possess. I am going to call, without regard to age, business, or politics, men who are known in this Nation and whose testimony will be accepted by all as worthy and credible.

I find a statement attributed to B. C. Forbes, a renowned economist, published in the Washington Herald of December 8, 1933. The headlines are:

Optimism now found predominant among industry and business chiefs. Mr. Forbes reports numerous hopeful signs of recovery.

I desire to quote from the article, and I commend this to my friend the Senator from Indiana, who is so dissatisfied with what we are going through now, and who apparently

is so satisfied with what we went through before the 4th of March. The article states:

After what we have been through during the last 4 years it is good to feel that things finally are improving. Building contracts reported for November are 54 percent ahead of last year. This is the best comparison, statistically, we have yet had. However, dollar volume is still low, and percentage figures look large because they start from a small base.

That, I find, is quoted by Mr. Forbes from a large business man interested in building. I ask that the whole article be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

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

[From the Washington Herald, Dec. 8, 1933]

OPTIMISM NOW FOUND PREDOMINANT AMONG INDUSTRY AND BUSINESS CHIEFS—FORBES REPORTS NUMEROUS HOPEFUL SIGNS OF RECOVERY; FEDERAL EXPENSES ALARM FINANCIAL WORLD

(By B. C. Forbes)

You can open a conversation with many a business man today without immediately drawing on your head a deluge of pessimism. Were I to attempt to sum up the predominating attitude of business leaders today, I would express it thus:

The majority are more or less perturbed over some of the things being done at Washington, but, nevertheless, they are hopeful that nothing absolutely fatal to recovery will develop. Industrialists are somewhat less doubtful than bankers. Many industrial companies have enjoyed quite substantial improvement in earnings. In certain industries ruinous price cutting has been stopped; in others, abated.

The financial world is fairly well satisfied with the recent action of stocks and bonds. But it is alarmed over the magnitude of governmental expenditures, the impossibility of foretelling what may happen to the Nation's currency, and the deadlock in capital-raising interposed by the Securities Act.

On balance, encouragement has an edge over discouragement.

Running across B. G. Dahlberg, the extremely industrious mainspring of the Celotex Co., I got from him yesterday these cheerful facts and figures:

"Our business this quarter is running fully 50 percent ahead of last year. Our own surveys convince us that we are going to have a good 1934. There is to be extensive construction of homes of the $2,500-$3,500 class. We are busy perfecting a type of small home which will cost less than anything now available. We have shown an operating profit since May."

The president of one of America's largest corporations interested in building, told me yesterday:

"After what we have been through during the last 4 years, it is good to feel that things finally are improving. Building contracts reported for November are 54 percent ahead of last year. This is the best comparison, statistically, we have yet had. However, dollar volume is still low and percentage figures look large because they start from a small base."

George I. Cochran, president of the Pacific Mutual Life Insurance Co., states that California is participating in the general national improvement. Although the oil industry has succeeded in modifying some of its evils, he feels that more should be done to conserve this invaluable national resource.

He cannot see the wisdom of spending many millions of public money on irrigation projects at this time when other millions are being paid farmers to destroy crops and reduce production.

Mr. Cochran believes that the time has come for insurance executives to arouse their 66,000,000 policyholders to the importance of having the Government promptly stabilize currency on some feasible gold basis.

Says Andrew W. Robertson, chairman of Westinghouse:

"I would like to sound the warning that Government should proceed with the greatest caution along the road of assuming activities which have been heretofore handled by private institutions. All of our taxes, and they amount to approximately $100 per capita, come from private enterprise sources. Private enterprise must thrive or there will be no taxes with which to pay the expenses of government."

Mr. ROBINSON of Arkansas. Here is an authority who I know will make the Senator from Indiana ashamed of himself. It is the Governor of Pennsylvania, Mr. Gifford Pinchot. The headline is:

Pennsylvania shows improvement in paid employment, says Pinchot. Governor pleased at turn of economic affairs in Keystone State since first of last year.

I will ask that that article also be printed for the special benefit of my friend, the Senator from Indiana, who, I know, will hasten to read it.

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

[From the Washington Herald Jan. 1, 1934]

PENNSYLVANIA SHOWS IMPROVEMENT IN PAID EMPLOYMENT, SAYS PINCHOT—GOVERNOR PLEASED AT TURN OF ECONOMIC AFFAIRS IN KEYSTONE STATE SINCE FIRST OF LAST YEAR

(By Gov. Gifford Pinchot, of Pennsylvania)

HARRISBURG, PA., December 31.—Definite improvement is shown in employment and pay roll for nearly all Pennsylvania industries since January 1, 1933.

Industrial production for the Philadelphia Federal Reserve District has advanced nearly 28 percent since the low point of last March.

The department of labor and industry estimates that, of the approximately 1,310,000 persons unemployed last January, more than 400,000 had returned to work in October. The Civil Works Administration will have many additional thousands working before long.

The dollar volume of the weekly industrial pay roll in Pennsylvania has advanced approximately 40 percent since last January.

The relief situation in Pennsylvania as of October 1933 may be summarized by the statement that there were 323,601 families on relief and that the relief expenditures for that month were $5,272,895.93.

Every possible effort is being made to improve conditions in Pennsylvania. The key to recovery, of course, lies in increasing the purchasing power of the masses.

Mr. ROBINSON of Arkansas. I also hold in my hand an article attributed to the Governor of Iowa, printed by the Universal News Service, as follows:

[From the Washington Herald, Jan. 1, 1934]

FEDERAL WORK HELP TO IOWA

(By Gov. Clyde L. Herring, of Iowa)

DES MOINES, IOWA, December 31.—The economic condition in Iowa has improved materially since January 1 last, and is continuing to improve.

The number of persons returned to work throughout the year have not kept pace with those losing out until within, perhaps, the last 60 days, when corn husking and other seasonal work has taken up considerable of the slack. Civil works, public works, and other governmental projects, including the C.C.C. camps, are helping us very much just now.

My estimate as to probable increase of pay rolls since January 1, as taken at this time, would, perhaps, amount to 20 percent.

At one time we had 53,000 families upon relief in Iowa; that was early in the spring of 1933. We now have about one half this number, although this will be materially increased within the next few weeks.

My only suggestion as to continued improvement of conditions would be whole-hearted cooperation with the plans and efforts being made by the National and State Governments to solve the depression problem.

From the Governor of Arizona comes a message of even more gratifying significance. I ask the privilege of inserting that also in the RECORD, and shall not take the time of the Senate to read it.

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

The matter referred to is as follows:

[From the Washington Herald of Jan. 1, 1934]

ARIZONA GOVERNOR SEES MANY ECONOMIC BENEFITS

(By Gov. Benjamin B. Moeur, of Arizona)

PHOENIX, ARIZ., December 31.—The economic condition in Arizona has improved materially since the beginning of last January.

I am advised by the reemployment director for Arizona that 9,360 persons have been employed recently. We expect 15,000 men will be employed under the Civil Works Administration. Ten thousand persons are now at work in our cotton fields. This, however, represents an alien class.

This makes a total of 19,360 persons who have recently gone to work, plus the additional 15,000 under Civil Works.

Mr. ROBINSON of Arkansas. The Governor of Wisconsin expresses his opinion in the following language. He says that notable gains have been made.

Factory employment in Wisconsin has shown month-to-month gains for 7 consecutive months past. From March 15 to November 15, factory employment increased 39.6 percent, while corresponding factory pay rolls have increased 70.2 percent.

Exclusive of persons receiving jobs or positions under Civil Works Administration projects, approximately 55,000 persons were added to pay rolls in Wisconsin between March 15 and November 15.

Even building construction on private account has shown some improvement since midsummer of this year, according to figures reported by the F. W. Dodge Corporation. This industry declined from contracts totaling $163,000,000 in 1928 to $4,500,000 in 1932.

Much of Wisconsin suffered from a severe drought in 1933, so that crop and some types of livestock production are lower this year than in the past several years.

I ask permission to insert the entire article in the RECORD.

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

The article is as follows:

[From the Washington Herald of Jan. 1, 1934]

MAJOR ECONOMIC CHANGES TRANSPIRE IN WISCONSIN

(By Gov. A. G. Schmedeman, of Wisconsin)

MADISON, WIS., December 31.—Since the beginning of 1933, and more especially during the past 7 months, we have witnessed economic and social changes of major importance.

At the beginning of 1933 Wisconsin factory employment totaled about 57 percent of normal and pay rolls averaged about 33 percent of normal.

NOTABLE GAINS

Factory employment in Wisconsin has shown month-to-month gains for 7 consecutive months past. From March 15 to November 15 factory employment increased 39.6 percent, while corresponding factory pay rolls have increased 70.2 percent.

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Much of Wisconsin suffered from a severe drought in 1933 so that the crop and some types of livestock production are lower this year than in the past several years.

GOOD CROP AREA

A region in the eastern part of the State, from Georgia Bay south and across the southern part of Wisconsin, has had fairly good crops. Much of central, western, and northern Wisconsin has suffered so greatly from drought that agricultural production is materially reduced.

Farm prices have shown some improvement. In January the average in Wisconsin was 63 percent of the pre-war average, and in October this index stood at 76 percent.

Mr. ROBINSON of Arkansas. Then I have a message from New Jersey showing various substantial increases both in the matter of employment and in relation to general business conditions. I will also insert in the RECORD that article, which is by Governor Moore of New Jersey.

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

The article is as follows:

[From the Washington Herald of Jan. 1, 1934]

NEW JERSEY'S INDUSTRIES ON UPWARD SWING—GOVERNOR MOORE CITES IMPROVEMENT IN CONDITIONS; ADVOCATES BACKING UP THE PRESIDENT

(By Gov. Harry A. Moore, of New Jersey)

TRENTON, N.J., December 31.—Economic conditions in New Jersey have undoubtedly improved greatly during the past year. Many of the indexes show a considerable improvement. Employment, pay rolls, department-store trade, electric power, and even building contracts show an improvement during the year.

The banking situation is improving. Many of the closed banks have reopened, and others are in process of reorganization.

The latest figures of the Department of Labor, as of October 15, show that in 651 manufacturing establishments there was an increase of 34,000 persons employed since January 15 of this year.

Compared with October of 1932, the number of employees in 651 identical manufacturing establishments increased 32,700, or 21.6 percent; total weekly pay rolls increased $588,000, or 18 percent. The index of employment in October 1933 was 80, as compared with 63.8 in March 1933, and 70.2 in October 1932. Employment in offices and in other industries has undoubtedly increased, probably more or less in the same proportion as the reporting manufacturing establishments.

The peak of emergency relief was in March, when 513,000 persons were receiving relief from our State emergency relief administration. At the end of October this had fallen to 363,000.

JOBS FOR 25,000

The civil-works program has resulted in giving jobs to 25,000 persons, and New Jersey expects to fill its quota of 120,000 before the end of the year. The public-works program should be in full swing within a reasonable time, and this should result in many jobs in our State, both directly and in connection with the fabrication of materials.

The general improvement in business in the entire Nation should also be of great benefit to New Jersey, as our State is such an important manufacturing center in almost every line of activity.

As to suggestions as to how conditions may be improved, I think they would be improved immeasurably if we would cooperate with the President and not try to injure the cause by destructive or sneering criticism.

Mr. ROBINSON of Arkansas. The Governor of Idaho says:

The economic condition of Idaho has improved very much since January 1 last.

Approximately 200,000 unemployed have returned to work since the beginning of 1933, but there are still an equal number receiving relief.

To furnish employment for all the idle men and women in the United States it is imperative that the buying power of the people be increased.

With respect to the Civil Conservation Corps, let me invite the attention of the Senator from Indiana [Mr. ROBINSON] to an editorial published in the Washington Post on December 2, 1933. I do not think anyone will assume that the Washington Post is politically biased in favor of national recovery measures. I quote:

A JOB WORTH DOING

Aside from whatever practical value the Civilian Conservation Corps might have—and the administration claims its fire-prevention work has diminished timber losses by 60 percent in comparison with last year—President Roosevelt made a wise decision to continue the camps another year.

The enterprise need not be justified at all upon a self-sustaining or partially self-sustaining basis. The idea behind it was to deal in some sane and practical way with the thousands of young men who, fresh out of schools, or thrown out of work, could not be absorbed into employment. They were roaming the country, thumbing rides and hopping freight trains—a restless, shifting mass of humanity chasing will-o'-the-wisp hopes of jobs. They were beginning to constitute social and police problems everywhere. Their presence and their condition as lately victims of forces over which they had no control, constituted a challenge to alleviation that could not be ignored.

Much of what they do may be wasted as far as conserving natural resources is concerned. But the experiment is creating national reserves of a better sort. The young men have come through with healthier bodies and happier outlooks. At least they have not been abandoned to their own devices, which in their despair might have bred lawlessness.

Certainly, with all the money we are putting into buildings and roads, a minor investment in human beings is worth while.

That is the opinion of the editor of the Washington Post, which I set over in comparison with the opinion expressed by the Senator from Indiana.

I have here a statement about the great State of California. The Senator from California [Mr. JOHNSON], who is one of the most highly respected and honored Members of this body, who has served his State and his country long and well, gave out an interview expressing his opinion on the subject under consideration. The Senator from California said:

I think we ought to go through with the public-works program. It is serving a good purpose. We have not appropriated enough money to carry it out.

About the N.R.A. the Senator from California said:

There is some kicking but a great deal of acclaim. The people have a determination to carry on and go through.

As I see the situation now and as I regard the President, I will support him to the best of my ability.

I ask that this article, which appeared in the Washington Herald on December 14, 1933, be printed in full in the RECORD.

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

The article is as follows:

[From the Washington Herald of Dec. 14, 1933]

IT'S ROOSEVELT OR "HELL", SAYS HIRAM JOHNSON—SENATOR PROMISES SUPPORT TO "THE BEST OF MY ABILITY"; DENIES ANY JUDGESHIP AIMS

Either America is going through with President Roosevelt's program that "leveled human relationship on the basis of merit or the country is going to hell economically", Senator HIRAM JOHNSON, Republican, of California, declared on his return here yesterday.

The Nation is passing through an economic revolution in which old methods no longer are countenanced and the effect is being seen in a new alinement of political parties—a loosening of party regularity, he said.

* * * * * * *

JOHNSON added:

"I think we ought to go through with the public-works program. It is serving a good purpose. We have not appropriated enough money to carry it out."

Asked about sentiment in his State toward the N.R.A., JOHNSON replied:

"There is some kicking, but a great deal of acclaim. The people have a determination to carry on and go through."

Turning to the political situation, the Senator said:

"The charming little coterie in New York that used to direct the political destinies of the country no longer has control. I don't think they will be able to dictate during the next 2 or 3 years or even in a decade.

"The gentlemen in command prior to 1929 had no conception of the needs of the country.

"As I see the situation now and as I regard the President, I will support him to the best of my ability."

Senator JOHNSON remarked that "the gods of finance of 1929, whom we saw in disarray before the Senate Banking Committee, have been stripped so bare that no longer need any of them be acclaimed."

Mr. ROBINSON of Arkansas. Here is a statement from the Governor of California, who expresses the opinion that the national recovery program, particularly in relation to public works, is operating successfully and effectively.

I have before me an article from the New York Times of December 3, 1933, written by Mr. Roland M. Jones, relating to the effect of loans on corn in the West. I ask to have that printed in the RECORD.

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

The article is as follows:

[From the New York Times of Dec. 3, 1933]

MILLIONS IN LOANS CHEER CORN BELT—IOWA EXPECTS $40,000,000 AND NEBRASKA $20,000,000 OF GOVERNMENT CASH—BUSINESS EXPECTS BOOM—MIDDLE WEST FEELS IT IS NO LONGER HEADED DOWN HILL, BUT HEADED OTHER WAY

(By Roland M. Jones)

OMAHA, NEBR., November 29.—Notwithstanding recent evidence of a contrary mood, the Corn Belt generally is sensible of ample reason for thanksgiving. It is measurably better off than it was at this time a year ago, and it faces the future with a large degree of public confidence in the prospect for further material improvement. There is a definite feeling that it is facing the other way, that it is no longer headed downhill with the brakes out of commission, but that it is once again climbing, even if somewhat jerkily and with the necessity of blocking the wheels and getting out to shove once in a while. Hence it brings a fairly full measure of response in the traditional spirit to the annual proclamation for a Thanksgiving Day.

In the expression of that spirit, thought turns naturally to the President and his leadership in the national movement for the promotion of recovery. A straw indicative of the coupling of the administration with whatever cause there is for gratitude is furnished in a newspaper symposium on the holiday and its meaning. Half the responses coupled Roosevelt by name with the subjects for thanksgiving. With some there was a personal reason. A home or a farm had been saved from foreclosure and the debt upon it refunded on easier terms, or there was a job directly traceable to one of the administration recovery plans, and the prospect of a snug winter instead of a place in the bread line. Mostly it was just the expression of continued confidence.

Directly or indirectly, the Corn Belt has reason to be thankful to Washington for many ways in which it has been helped to bear its troubles. The agencies for relief and recovery have initialed their way into the consciousness of a good many people in a good many parts of the Middle West. But the greatest measure of relief, that which most nearly approaches universal application, came simultaneously with the Thanksgiving season in completion of the set-up for the corn loans and the introduction of a new combination of initials, the C.C.C., representing the Commodity Credit Corporation.

MILLIONS IN LOANS

How much the corn loans will bring immediately into this region is, of course, a matter of conjecture. It all depends on how pressing are the needs of the farmer and how much of his corn he is willing to impound to get cash at once. It has been estimated that the loans will run to $40,000,000 in Iowa and from $15,000,000 to $20,000,000 in Nebraska. The release of this sum, or such of it as can be expected to be applied to current debts and new purchases, is expected to have a quickly stimulating effect.

The first loans have been made, the main object being to determine how rapidly the routine could be disposed of and the cash become available to applicants. The results were wholly satisfactory. They demonstrated that a loan can be put through with a minimum of delay. With organization complete and the cooperation of the local banks in handling the loans which may be rediscounted with the C.C.C., the money should be going into the hands of farmers in considerable volume before this time next week. It will depend largely on how rapidly inspectors and sealers are able to certify that the requirements as to cribbing and sealing the corn have been met.

From the farmer's standpoint it is the kind of loan he has dreamed about, but never hoped to have offered him. It is a case of heads he wins and tails the creditor, which in this case will be the Government, loses. If at the expiration of the loan the price is above the loan figure, 45 cents a bushel, he may pay his debt and keep the difference. If the price is below the loan figure, he turns over the corn and is quit of his obligation.

SIGHT UNSEEN

To get the money only one principal condition is required of him, that he agree to sign a corn-hog production-control contract when the latter is offered him. Farm holiday leaders make the objection that he doesn't know what that contract will contain, which is true so far as detail is concerned, but not as to its important general provisions. The loan applicant is not inclined to suspect the Government of trying to sell him a pig in a poke and the objection is not taken seriously.

What the farmer will do with his money when he gets it is illustrated by the use to which the wheat allotments have been put. There have been considerable debt paying and tax paying out of the proceeds of the wheat checks, but merchants also are finding business better where payments have come in considerable volume.

The opinion has been expressed that it will be a long time before any marked improvement in farm income is reflected in a considerable volume of improvement in business, because a large part of that income will have to be applied to debt payment. In a measure there is truth in this view.

One of the first concerns of the farmer, after supplying such indispensable items of his living as clothing and food to supplement the product of his garden, is to get his chattels out of hock. It is not only the land mortgage and its interest obligation which have made the period of price deflation a hardship but there is a large chattel-mortgage obligation to be liquidated as well. But local debt paying may be quite as important in revivifying the commercial life of agricultural communities as a sudden increase of buying.

Mr. ROBINSON of Arkansas. There is now submitted a letter from a lady in South Orange, N.J., dated November 21, 1933, in which she expresses faith in what she is pleased to term "the new deal", and criticizes some representatives of the Republican Party for their efforts to wreck the national recovery program. I ask that the letter may be printed in the RECORD.

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

The letter is as follows:

FAITH IN NEW DEAL—REPUBLICAN BLAMES OUR ILLS ON PAST MANAGEMENT

To the New York Herald Tribune:

Loud applause for your liberal spirit in publishing the critical letter of "Citizen" and those which followed. "Born and bred a Republican" gives one a right to fight in one's own camp, and I resent the attitude of those dyed-in-the-wool G.O.P.'s who preach as though all our ills have come since March 4. The truth is that we are suffering now from the management of the economists, politicians, and business men who did nothing to stem the tide of disaster which has deluged us since the blows fell in 1929. Not until the new deal started was the flood of ruin turned into channels which could take care of the refuse.

Why not put the blame in the past, where it belongs, and remember that our present condition has been bettered month by month as new ideals are at work to change the outrageous structure of the old conceptions of government in all phases of our history, including business, economics, banking, and the ramifications of former finance, both at home and abroad? The new era may lead to reconstruction in all our relations with each other. What if there are faults in the ideals of our present leaders? They confess this themselves and hope to remedy errors in time.

The President has used a delicate but mighty lever to change some conditions which have been futilely attacked for decades. It is an astounding piece of history.

Again, who's afraid of the big, big dollar? When we are fortunate enough to get one it buys more than it did years ago. Cheap goods flood the stores, and we pay only a few cents more for several articles of food. Our troubles came before the new deal, when our securities either cut dividends or dropped them. Our real estate went down in value long before, and we get about half the rents we once received. Our taxes, then as now, are mainly on real estate and contribute to the waste and extravagance of State and municipal governments.

Again I emphasize, put the blame where it belongs and not on the superhuman efforts of those who are trying to lead the way out.

KATE LOUISE ROBERTS.

SOUTH ORANGE, N.J., *November 21, 1933.*

Mr. ROBINSON of Arkansas. I have here an article which appeared in the New York Times under date of January 7, 1934, urging Members of Congress to support the President, and giving the reasons for urging that support.

I ask that the article be inserted in the RECORD.

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

The article is as follows:

[From the New York Times of Jan. 7, 1934]

FLOOD OF LETTERS URGE CONGRESSMEN TO BACK PRESIDENT—MEMBERS OF BOTH PARTIES ADMIT OPENING MESSAGE INCREASED HIS POPULARITY—REPUBLICANS ARE WARNED—FORMER REPRESENTATIVE SAYS AN ATTACK ON ROOSEVELT NOW WOULD BE DISASTROUS

WASHINGTON, January 6.—President Roosevelt's hold upon the American people is "amazing" to Republicans and "astonishing" to Democrats. That his popularity is increasing and that his personal address to Congress on Wednesday is bearing fruit was admitted on both sides in the House today.

The flood of letters and telegrams to Congressmen in the wake of his Wednesday address which politicians say was specifically addressed to the people of the country is increasing daily. They all urge the individual Members to stand by the President in whatever he desires.

One unusual explanation of Mr. Roosevelt's popularity comes from a dyed-in-the-wool Republican, former Representative Malcolm Baldrige, of Nebraska, and it cautioned Republicans that any broadside attack upon the President at this time would be "disastrous."

MR. BALDRIGE'S LETTER

The text of his letter, addressed to Representative ANDREWS, of Buffalo, an old friend of Mr. Baldrige, reads:

[Law offices Dorsey & Baldrige, Omaha National Bank Building]

OMAHA, NEBR., *January 3, 1934.*

Hon. W. G. ANDREWS, M.C.,
House Office Building, Washington, D.C.

MY DEAR HAM: I am constantly inquiring from people in all walks of life in this part of the country concerning the present financial situation, and I thought you might be interested to just get a slant on how I think the people feel out here. Everyone is impressed with the activity of the Democratic régime and with the money pouring in on various projects and our streets filled with men working who have been out of jobs for 2 years, the Democratic control is still at its height and the almost warlike hysteria is still in full force in this part of the country.

The question of where is all of the money coming from is not yet pertinent, and is too far off and too intangible to be seriously considered by the mass of the people. This cannot keep up forever, and when there is a letting down there will be a decided reaction, but at the present time any broadside attack on the President or his policies, I think, would be disastrous. The surprising thing to me is the universal resentment of anyone attacking the present relief programs. Even our most conservative and leading people who have been stanch Republicans feel this way, and the man on the street feels it much stronger.

I certainly will be with you in heart and spirit at the opening of the session. You know I do not mean to presume by giving you any advice, but I did feel that you might be interested in getting the real lowdown from someone who is in a position to know and who is vitally interested in your personal future and in the future of our party.

I have sent this same letter to several of my good friends in Washington, and you may be sure that at the next congressional election, although I am not running myself, I will be in the thick of the fight to send as many Congressmen back from Nebraska to the Republican side as possible.

With kindest personal regards and best wishes for a happy and prosperous New Year, I am,

Very truly yours,

MAC.

SUPPORT AMAZES RAINEY

Mrs. FLORENCE P. KAHN, of California, another stanch Republican, said that she had not received "instructions" to support the President's suggestions.

"But it is truly amazing the way the country is for him", she admitted.

Belief in the President's hold upon the country was expressed today by Speaker RAINEY after a visit to the White House. He was asked if he thought there would be silver legislation, and if it would pass.

"If the President wants it, yes," he replied.

"Will there be a sentiment against tariff legislation?"

"Not if the President wants tariff authority."

After other similar questions, Mr. RAINEY exclaimed:

"You might as well know it: nothing is going to pass here except what President Roosevelt wants."

Humor and pathos are included in the messages that come to Congressmen from their constituents. One of the most loyal came to Mrs. Rainey, wife of the Speaker, who has received 118 letters herself since President Roosevelt addressed Congress.

"I am sending you the deed to my farm", the writer told Mrs. Rainey. * * *

Mr. ROBINSON of Arkansas. From the New York Herald Tribune there has been clipped an article by John W. Remer, under date of January 30, 1933, stating that a lifelong Republican trusts Mr. Roosevelt and does not see that the Constitution is in danger. I ask that the article be inserted in the RECORD.

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

The article is as follows:

[From the New York Herald Tribune, Jan. 7, 1934]

NO FEAR OF TYRANNY—LIFELONG REPUBLICAN TRUSTS MR. ROOSEVELT; DOES NOT SEE CONSTITUTION IN DANGER

To the New York Herald Tribune:

Is our Federal Constitution in danger? The Honorable JAMES M. BECK, one of our most distinguished lawyers in public life, seems to think it is. His fears are aroused by the unusual grants of almost unlimited power given to President Roosevelt by Congress. But this grant of power is by the freely chosen representatives of the people and for a limited period. The President did not demand the power. He showed his willingness to use power if given to him by the people, and we rejoiced in his courage, and that is what he was elected for.

Should his judgment err in the use of that power, or should he misconceive its purpose and seek personal advantage from it, the power can be taken away as easily as it was given, and most surely it will be taken from him. No President has heretofore dared to infringe on the basic element of our form of government, the individual and equal sovereignty of each citizen to think freely, vote freely, and have his vote counted fairly and openly. The slightest indication of such a thing in a President is all the people need to put a stop to it.

Witness President Wilson's mistaken demand that none but Democrats be elected to Congress. His power waned from that moment, in spite of everything. Witness also the result of President Theodore Roosevelt's mistaken idea that he was the one and only man for the time. He, too, failed, in spite of his personal popularity and past accomplishments.

It seems to me that no one familiar with American history, familiar with the Federalist or Madison's journal, or, last but not least, Mr. BECK'S own splendid work on the Constitution, need have the least fear that Americans will submit to even the appearance of tyranny in a President.

Power the President must have, and the greater the stress the greater the power to meet that stress he must have, in the very nature of things. And also, in the very nature of things, the necessary power will flow to the executive head of a government, whether he wants it or not, or whether it is voluntarily given to him or not.

The one thing Americans want is that the President use his power unselfishly, and the eyes of every citizen are upon him and he knows it. Courage we know he has. Wisdom we hope he has. Right purpose we believe he has.

Hatred of tyranny is as strong today as in the days of Tacitus. It is as strong here as in England, and it is no more possible here than in England. When Americans cease to take an interest in politics—local, State, and National—then, as always in the past, tyranny or dictatorship will, must, and ought to come; for above all things we must have order.

In my humble opinion Americans are less subject to tyranny today than ever before in our history. On the other hand there is a deeper and more flexible and more rational understanding among all of us of the nature of the stress under which our country is now existing and a broader understanding among us of the necessity of economic cooperation.

If our country and our liberties have survived the "tyranny" shouted aloud against Washington, Jefferson, Jackson, Lincoln, Theodore Roosevelt, and Wilson, it seems reasonable to hope that the country and our liberty will survive Franklin D. Roosevelt, whose sincerity and high-mindedness no one can doubt, regrettable as it is, of course, that he happens to be a Democrat.

As a lifelong Republican, you will, I trust, believe me sincere.

JOHN W. REMER.

NEW YORK, *December 30, 1933.*

Mr. ROBINSON of Arkansas. An article from the Washington Times under date of January 1, 1934, is headlined "Dividend increases held amazing N.R.A. development." I ask to have that article printed in the RECORD.

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

The article is as follows:

[From the Washington Times of Jan. 1, 1934]

DIVIDEND INCREASES HELD AMAZING N.R.A. DEVELOPMENT—EVERY UNIT IN SEVERAL LINES REPORTS GAIN IN EARNINGS

(By Jonathan Wickwire)

This observer finds the most amazing development of the Roosevelt recovery program not in reemployment figures, agricultural, and industrial commodity price advances, widely exploited in the public prints, but in the notable increases in earnings and dividend payments reported by corporations in the third and final quarters of the past year.

BURIED IN OBSCURE REPORTS

Probably this recovery phase has impressed itself the more upon this writer because of its very obscurity, the facts relating to it being obtainable only by digging through dry-as-dust reports and compilations generally inaccessible to the hurried lay reader, even if he were disposed to conduct the necessary research.

The fact that entire industries, each comprising scores of individual units, have reported, without exception, earnings increases running into uncounted millions, while in other industries the percentage of companies reporting improvement has fallen only

a little under 100 percent. This fact has not escaped the observation of other discerning writers nor entirely failed of popular presentation.

REVELATION BY GOULD

Thus, Leslie Gould, financial editor of the New York Evening Journal, in a recent illuminating and detailed article, summarizes his findings as follows:

"While the ratio of corporations to show improved earnings in the third quarter of this year, as compared with the corresponding period in 1932, is better than 3½ to 1, six major lines of industry have so far turned in a perfect score. All of the companies so far to report had greater profits than a year ago.

"These industries are: Automobiles, motor-car accessories, chemicals, electric equipment, leather, and food. They are the banner lines, but running them a close second are building materials and supplies, metals, including mining, motion pictures, oils, railroad equipment, coal, and steel."

But earnings increases are not enough. These must be translated into net income before they satisfy the management and, even more important, the bankers.

CONVERTED INTO DIVIDENDS

More, they must be transmuted into dividends before the real owners, the vast multitude of stockholders, reap any readily appreciable benefit—any money income that they can spend for needs or luxuries—money which, so spent, will help further to speed the whirling wheels of commerce, make more jobs, and by increasing demand help raise prices for farm and other products.

Increased earnings may simply mean that a company has cut down a deficit; that income has improved sufficiently to cover bond interest, or a part of it, or, maybe, that earnings have risen enough so that a small balance is left, after charges, to carry the surplus account. All very excellent, no doubt, and of exceeding great interest to the management and to bondholders, principally insurance companies and banks.

Highly important to everybody, of course, indirectly, for everybody is interested, vaguely, perhaps, but none the less surely in the solidity and strength of these institutions, and the welfare of millions is closely dependent on their profitable maintenance.

CASH MONEY WHAT COUNTS

But cash-money dividends, convertible at will into any of their innumerable requirements, are what the stockholders want. And they are getting them—regular, special, extra, increased, accumulated—in floods.

A fair cross section of what is happening was presented in an International News Service dispatch printed in these columns on December 9, the gist of which is contained in the following excerpt:

"Stockholders in 69 American corporations will receive an increase of $55,691,540 in the income from their investments through larger dividend declarations by these concerns since November 1, a survey revealed today.

"Forty-two companies have resumed or initiated dividends representing disbursements of $28,040,498 to stockholders.

"A group of 20 companies has declared extra dividends totaling $24,183,639.

"In addition, nine other companies have increased regular rates net by $3,467,403 for the current payment."

This pertains only to actual increased dividend declarations during a period of 30 business days among corporations listed on the stock exchanges. It takes no account of hundreds of regular dividend payments made during this period by listed companies, nor of thousands of unlisted firms and partnerships that divided normal or increased profits during that time.

FIRMS LISTED BY HUNDREDS

The current Dow-Jones dividend record occupied nearly four columns of agate type in the Wall Street Journal of December 16 and contains the names of 586 firms listed on the New York Stock and Curb Exchanges. Of these, 65 reported increases over the last previous announcements.

Before the period covered by the above International News Service article, back in September, and still more in October, the resumption and increase of dividends was becoming noteworthy. Since it was printed, 43 firms coming to the notice of this writer alone have announced dividend improvements, putting the total net gains to stockholders in the past 6 months far above the $100,000,000 mark.

PROFITS SPREAD WIDELY

That improved profits are not confined to listed corporations, to materialize in dividends, but are shared and being distributed by partnerships and companies in merchandising and other lines which never have attained, or aspired, to a stock-exchange listing, is shown by the Federal Reserve Board report on retail-shop gains in November, on which a Wall Street Journal writer comments as follows:

"From the retailers' viewpoint the important factor is that good profits are being earned even at the current level of dollar sales."

Another evidence of the general permeation of increased profits throughout business is contained in the banking reports, usually a fair barometer of rising or falling trade conditions. Up to December 20 quarterly dividends amounting to $19,252,937 had been declared by 18 of the 25 dividend-paying New York banks, bringing the total for the year, up to that time, to $82,457,937. Others in sight were expected to bring the final total to $85,000,000, only 20 percent below the 1932 figure, in spite of the bank holiday which eliminated some big payers of last year and made the going more or less difficult for the survivors.

Mr. ROBINSON of Arkansas. Mr. William H. Fort published a statement under date of December 23, 1933, in which he asserts that the gain in prosperity is reflected by increase in travel, and sets forth facts which he deems pertinent to that contention. I ask to have the article printed in the RECORD.

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

The article is as follows:

TRAVEL GAIN SEEN PROSPERITY SIGN—OCEAN LINES ADD SHIPS FOR WINTER CRUISES TO MEET DEMAND

(By William H. Fort)

NEW YORK, December 23.—Besides the increased sales of department stores for the holiday trade, the "booster" reports of salesmen returning from their final trips of the year on the road, reports of increased employment in the greater metropolitan district and the promise of many thousands more jobs to be allotted in the near future by the Civil Works Administration, other indications continue to crop up here to bolster the opinion that the depths of the depression have been passed, and business again is on the upswing.

One definite indication pointed to as an accurate barometer of returning prosperity is the increase in ocean travel. There had been some fears expressed by officials of steamship lines that lack of money would keep the public at home during the winter months and force the lines to curtail their winter cruise plans. There were also predictions that the coming of repeal, removing the necessity of leaving the United States to "get a real drink", would cause a further falling off of tourist travel.

However, the fears of the ship line officials and the repeal predictions have proved to be ghosts, and a survey of 22 of the larger trans-Atlantic and coastal shipping lines shows that the public is digging money out of the old sock and is spending it freely. Instead of cutting down their winter-cruise schedules the lines have had to add to them in many cases.

CHRISTMAS CRUISE

The French Line ship *Lafayette*, for instance, left port for a 12-day cruise through the East Indies with more than 400 first-class passengers aboard, who will spend both Christmas Day and New Year eve at sea. The Furness-Bermuda Line also reports that "winter tourist travel has definitely turned the corner and is very much on the upswing." Officials of that line today are sending out their two sister ships, the *Queen of Bermuda* and the *Monarch of Bermuda*, loaded to capacity, headed for a 9-day cruise to Bermuda and Nassau, carrying 1,500 first-cabin passengers.

On the same day the Holland-American Line ships *Statendam* and *Rotterdam* will also steam out to sea with capacity loads, carrying 1,200 passengers on a 15-day cruise to South America and the West Indies. On these four ships alone, according to ship-line officials, there was a waiting list of almost 1,000 persons—something unheard of in ocean travel during the last 4 years.

Other trans-Atlantic lines—the Cunard, Italian, United States Lines, Swedish-American, the North German-Lloyd, and Hamburg-American among others—with long- and short-time cruises to offer, report exceptionally heavy bookings, far in excess of last year.

Mr. ROBINSON of Arkansas. An article by James T. Williams, Jr., is entitled "Civilian Conservationists Brighten 300,000 Homes." I read from this article a statement attributed to a member of one of the organizations:

To give an adequate conception of what the C.C.C. has done for me, I am impelled to describe the background leading up to my connection with it.

First, imagine yourself as a young man of good family, well educated, happy, prosperous, and surrounded by everything that makes life worth while.

Then imagine yourself torn from this environment and driven like a hunted dog through 4 years of unemployment, hunger, and famine, ending in the complete and utter degradation of a homeless bum.

I was losing faith in everything that goes to make life worth while. The day a social worker met me in a Springfield (Ill.) "flop" house and persuaded me to join the C.C.C., was a turning point in my life. I was almost a physical wreck. Within 30 days I gained 30 pounds in weight. As a citizen I am transformed. Government is a hateful thing to a bum. It has removed from my door the specter of want.

What more natural than that my old radical tendencies are being replaced by the stirrings of some of the finer attributes of good citizenship? In forestry I have for the first time found work that appeals to me. Life in the C.C.C. has restored my faith. Spiritual life cannot exist for a man forced to live like a famine-driven wolf.

With the permission of the Senate, I will print the entire article in the RECORD as part of my remarks.

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

CIVILIAN CONSERVATIONISTS BRIGHTEN 300,000 HOMES

(By James T. Williams, Jr.)

Christmas Day was the brighter in 300,000 American homes because, by prevailing upon Congress to provide for the establish-

ment of the Civilian Conservation Corps, President Roosevelt was able to give 300,000 Americans a new start in life.

The high expectations of the President in proposing this new national enterprise to Congress have been more than realized in all the 1,300 conservation camps that have been established all over the United States.

The President predicted that the type of work that the Civilian Conservation Corps would do would prove of "definite practical value, not only through the prevention of great financial loss, but also as a means of creating future national wealth."

SPIRITUAL VALUE

"The Civilian Conservation Corps", he said, "will conserve our precious natural resources. It will pay dividends to the present and future generations. It will make improvements in the national and State domains which have been largely forgotten in the past few years of industrial development."

But the Civilian Conservation Corps is doing more than this, as President Roosevelt said it would. "More important", he said, "than material gains will be the moral and spiritual value of such work. The overwhelming majority of unemployed Americans who are now walking the streets and receiving private or public relief, would infinitely prefer to work."

The President's faith in the rank and file of his fellow citizens is fully shared by the Army officers who command the conservation camps throughout the country. The applications for membership in the corps far exceed the quota of the several States. Thousands of letters received by the Government from the young men attending these camps afford convincing evidence that "the moral and spiritual value" of their work are even exceeding the material gains to the Nation.

All of these letters are intensely human documents. Several of the best of them appear in the current issue of "American Forests", which is published by the American Forestry Association. This association offered prizes for the best letters written by enrolled members of the Conservation Corps on the subject, "What the Civilian Conservation Corps Has Done for Me."

These letters form a remarkable narrative of human experiences. They are the best spoken evidence thus far available of the real value of the Civilian Conservation Corps to the youth of America and to the thousands of homes which they left for the road, in search of work to help relieve distressed parents.

From a conservation camp in Illinois, a member of the corps writes:

"To give an adequate conception of what the C.C.C. has done for me, I am impelled to describe the background leading up to my connection with it.

"First, imagine yourself as a young man of good family, well educated, happy, prosperous, and surrounded by everything that makes life worth while.

"Then imagine yourself torn from this environment and driven like a hunted dog through 4 years of unemployment, hunger, and famine, ending in the complete and utter degradation of a homeless bum.

"TURNING POINT

"I was losing faith in everything that goes to make life worth while. The day a social worker met me in a Springfield (Ill.) 'flop' house and persuaded me to join the C.C.C. was a turning point in my life. I was almost a physical wreck. Within 30 days I gained 30 pounds in weight. As a citizen I am transformed. Government is a hateful thing to a bum. It has removed from my door the specter of want.

"What more natural than that my old radical tendencies are being replaced by some of stirrings of some of the finer attributes of good citizenship? In forestry I have for the first time found work that appeals to me. Life in the C.C.C. has restored my faith. Spiritual life cannot exist for a man forced to live like a famine-driven wolf."

From a camp in New Mexico comes the record of "a home and harvest saved" by the money sent back by one of the younger members of the family from his earnings as a member of the Civilian Conservation Corps. "I feel we are doing a great work", he writes. "I know we are helping thousands of worthy but poor parents and paving the way for the generations to come."

During his campaign his proposal to set up the Civilian Conservation Corps brought Mr. Roosevelt the criticism and ridicule of his political opponents.

In 300,000 homes this Christmas season the President is receiving the gratitude of the family for the national benefaction which the Civilian Conservation Corps has proved to be.

Mr. ROBINSON of Arkansas. With the permission of the Senate, I will print an article from the New York Times under date of December 25, 1933, entitled "Climbing Out of the Depression", by Ernest Poole.

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

[From the New York Times, Dec. 25, 1933]

CLIMBING OUT OF DEPRESSION—HENRY STREET VISITING NURSES NEED AID TO HELP OTHERS

To the EDITOR OF THE NEW YORK TIMES:

In these swift days of crisis I often wish that more of us could rouse to life that inner force of which I heard long ago in the Alps at the top of the great St. Bernard—from a gigantic old monk who through nearly 40 winters had gone out into storms with the huge dogs to rescue travelers lost in the snow. No icy wind could turn him back. When a young man, he told me, he had been an Alpine guide. One day in a party of six men with rope and pickax he had climbed some 5,000 feet down a granite cliff, and on a narrow ledge near the foot they found that an avalanche had made it quite impossible to descend to the bottom that way, and so they must climb back up to the top.

Tired and hungry they clung to that ledge, and he said that fear took hold of him, a cold sweat came and he shut his eyes. But then he sent a call for help straight out into the universe, and very soon from deep inside, as though in answer to his call, he felt such a will for living that he rose to his feet like a man and led his five companions through weary hours foot by foot up that mighty cliff of rock to life and safety at the top. And he believed that force had come from the God asleep in every man, which needed only calling on to stir a man to miracles.

Here in America, if we mean to climb the great cliff of this depression up to a safe national life, each one of us will have to call upon that force within ourselves. For no man can climb this cliff alone. It needs a whole nation climbing together, with every-one of us doing his part. This is a time for mutual aid—and every victim of these hard years whom we lift back up into life means so much accomplished for us all.

There will be more such victims in these next months than ever before because, though more people are at work, the strain and privations of 4 years will take at the end their heaviest toll. Here in New York in the winter ahead there will be hundreds of thousands of men, women, and children sick, and many will die unless we give aid. Relief agencies will supply food and shelter, but they cannot care for the sick, nor can the hospitals take them all in.

The Henry Street visiting nurses will be called upon to take care of the rest. All through the depression it has been so. Accepting cuts in salary cheerfully when funds were low, with a staff smaller than before and the number of their patients increased from 60,724 in 1929 to over 100,000 now in every quarter of Greater New York, without distinction of race or creed, they have given expert, devoted care to those who called to them for aid. I have known them and have seen them at work. It is heavy work by day and by night—into crowded tenement rooms and up and down dark tenement stairs. Many last year grew ill from the strain, yet still they kept courageously on.

But they cannot do it without our support. Of the budget for this year more than half is now at least in sight, but unless we raise $300,000 more, then in the cold months ahead they will be forced to turn down all but the most urgent calls for help. Will you stand behind them now? They are worth it, for they have that inner force of which I learned long ago on the St. Bernard. One of them the other day told of a patient who had it, too—a little girl with wasted body, but with bright, black, strong little eyes, who for weeks had fought to keep alive and was at last recovering.

"What do you want for Christmas?" asked the nurse, and the answer came like a flash. "I want my life back again", she said. "Just you get me out of this bed and I'll tend to all the rest of it."

And she will, too. She is that kind. Let's give her back her life at Christmas. Let's not desert such children now. No matter how hard it may be to give from incomes that have dropped so low, let's try to keep on doing our parts in the slow and dangerous climb up the great cliff to brighter days. It's hard to be poor and out of a job, but it's awful to be sick as well. So please give all that you possibly can.

ERNEST POOLE.

NEW YORK, *December 19, 1933.*

Mr. ROBINSON of Arkansas. In the New York Herald Tribune of December 23 there is an interesting sidelight cast on what the people of the country think of the President. The headlines are:

Roosevelt's Mail Ten Times Any Predecessor's; 25,000 Christmas Letters and Bundles Descend on the White House.

Ah, Mr. President, when Christmas time came a few days ago there was a demonstration in this country that is well worth recalling. From limit to limit of the Nation there were evidences of returning prosperity and happiness. The fact that the President was remembered by 10 times as many citizens as ever remembered one of his predecessors is a complete answer as to how the public regards him, an answer to the denunciations of the President by the Senator from Indiana.

Mr. President, I could continue indefinitely quoting articles by news writers and editorials from newspapers, expressing opinions directly contrary to that asserted by my good friend, the Senator from Indiana, and contending that there has been a marked advance in national recovery. God knows things and times are bad enough yet, and all who are genuinely interested in our finding the way out should give their best cooperation and support.

Of course, if we divide among ourselves needlessly, if we resort to bitter partisan politics, if we take advantage of every mistake that has been made—and there have been

mistakes made and there will be mistakes made—if we capitalize them, and minimize the good that has been done, just to that extent we shall retard the advance of the American people toward national recovery.

I have never been one who believed that prosperity is solely in the keeping of public officers or is to be found alone in political measures. Everyone who has studied the course of the Nation during recent years realizes when the orgy of speculation in 1929 broke and financial institutions began to collapse that there followed a period of distrust, of uncertainty, of hoarding, and despondency, and to the extent that there still exists lack of confidence and faith, we have our difficulties. We will continue to have them until the spirit of the American people shall be so revived that they will take the initiative and go forward without an impulse from the National Government.

There is attached to the measures constituting this national recovery program a fearful responsibility; the program is intimately associated with great efforts and events; it is inseparably connected with problems that are hereafter to arise; but the President's Budget message points a way out. He recognizes that we are spending a very great sum during the present fiscal year, and are creating an enormous deficit in the Budget, and that that deficit will be still further augmented next year; but it is his belief that if we go forward with the program there will come a sufficient revival of business and industry to enable us completely to balance the Budget during the third year; and if we can do that, we will have done well, in spite of the criticism and denunciation of the Senator from Indiana.

Mr. President, I now formally ask to have printed in the RECORD the several articles to which I have referred.

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

The articles referred to are as follows:

[From the Washington Herald of Jan. 1, 1934]

VAST PROJECTS INSURE UPTURN IN CALIFORNIA—CENTRAL VALLEY WATER PROJECT ALONE MEANS 25,000 JOBS ASSURED FOR 4-YEAR TERM

(By James Rolph, Jr., Governor of California)

SAN FRANCISCO, December 31.—California enters upon the new year with the definite prospect of better times.

We have waited long and patiently for a turn of the tide, but I believe that it has come at last.

The most significant omen of this was that splendid California victory on December 19, when the people swept aside pessimism and voted themselves a $170,000,000 Christmas present in the form of the Central Valley water project.

That alone launches California upon a new era—it gives the final impetus to the cycle of recovery that was set in motion when Federal, State, and municipal agencies concentrated upon reemployment.

25,000 EMPLOYED

Agriculture, labor, business of every sort will reap the benefit of this vast undertaking that means the employment of 25,000 men for 4 years, the generation of cheap power, and the salvation of hundreds of thousands of acres doomed to aridity.

In the south, the Bouldar Dam Aqueduct is a project of equal magnitude, and in the San Francisco Bay district, the Golden Gate and Oakland-San Francisco Bay bridges, totaling $100,000,000 are mighty spokes in the wheel of recovery.

Building permits have increased—pay rolls have increased—more people have money to spend—housewives are patronizing the stores in increasing numbers—the butcher, the baker, the grocer are taking heart.

50,000 MORE JOBS

In our division of public works alone, where 5,000 men are regularly employed, appropriations have been made for $20,000,000 in highway construction that will employ an additional 50,000 men.

With such projects, and such concrete evidence of improvement, California in 1934 cannot fail but move forward toward a happier destiny.

Moreover, there is a happier tone in the morale of our people. Throughout our homes, a stronger sense of security exists—mothers and fathers may now watch their children start off to school, or venture upon the streets, with a feeling of safety that did not exist before.

We have had trying times—at last daylight is breaking through, and I sincerely believe that this new year will bring to the people of California a renewal of that old-time activity and the contentment and peace that is our rightful heritage.

COMMODITIES TURN ACTIVE DURING 1933—CONTRACTS TRADED IN YEAR TOTAL THREE FOURTHS OF BILLION DOLLARS

(By Jerome Lewine, president Commodity Exchange, Inc.)

NEW YORK, December 30.—The past year—a notable one in the history of commodities generally—has been conspicuous for the activity on Commodity Exchange, Inc., and has justified the belief of the organizers of this consolidated exchange that its centralized functions would prove of definitely greater value to the commodity producers and the trade than had the separate silk, metal, rubber, and hide exchanges.

Trading volume became most marked following the physical merger of the constituent groups under one roof on July 5, and has continued in large volume, with relatively few interruptions, up to the present time. Increased prestige has developed for the exchange as its work and service of information to the trade became better known, and as the centrally organized facilities of this market made possible a more rapid and efficient turnover.

The consolidation was without precedent, and it resulted in creating what is now one of the largest commodity exchanges in the world, and the only exchange on which are traded six basic commodities used or consumed throughout the Eastern and Western Hemispheres.

NINETEEN COUNTRIES INCLUDED

Members now include important financial and commercial interests in 19 countries—the United States, France, England, Holland, Canada, China, Germany, Switzerland, Mexico, Japan, Belgium, Italy, Argentina, Australia, Czechoslovakia, Egypt, India, Scotland, and Spain.

The exchange is now carefully considering the possibilities for trading in other commodities. The addition of these would enlarge the scope and volume of trading substantially, and would have the desirable effect of further extending the benefits of its facilities to additional industries and trade groups.

The efforts of the national administration to raise commodity prices have been more or less simultaneous with the growth in volume of trading in silver, rubber, silk, copper, tin, and hides.

FUTURES TRADING GOOD

Trading in futures has been of unquestioned benefit to these various industries and commodities through the system of "hedging" or price insurance developed by the exchange and its constituent groups. Thus far the exchange has by careful self-discipline and complete cooperation with the governmental authorities avoided that public criticism which leads to governmental investigation.

It has been our policy to cooperate in every way with the public authorities and so to conduct the work of the exchange as to keep it free from the need for any investigation or regulation by the Government.

The unusual problems arising from the closing of the exchanges during the banking holidays and from sharp price fluctuations from time to time have been met without loss to anyone. The several clearing associations operated in conjunction with the exchange have made this protection possible, and they have answered every demand that has been made upon them. Deliveries, no matter how heavy, have been handled efficiently.

CONTRACTS GAIN

In the first annual report of the exchange covering its activities for the period commencing with the legal consolidation on May 1, 1933, and ended on November 30, 1933, I pointed out that the value of contracts traded in on the exchange aggregated approximately $750,000,000.

In rubber, silver, and copper the number of contracts dealt in during this 7-month period far exceeded the totals for the entire 12 months preceding. Comparative figures for trading volume in November 1933 and the same month a year ago show the extent of increased trading since the opening of Commodity Exchange, Inc.

The increase in silver trading from November 1932 to November 1933 was 271,375,000 ounces, in crude rubber the increase was 112,960 tons, in raw silk it was 5,760 bales, in hides 5,160,000 pounds, in copper 15,400 tons, and in tin the increase was 100 tons.

ORDERS MULTIPLY

The international character of the market is best evidenced by the multiplicity of orders received from many parts of the world, particularly in silk and silver, and to a proportionate degree in copper, rubber, hides, and tin.

The exchange exercises no control over prices, but does regulate daily maximum advances and decline. Volume of trading and safeguards set up for protection of buyer and seller are significant of the need which the consolidated market fills, and this has never been more apparent than during the recent period of world-wide unsettlement.

We can with reasonable assurance look forward to a promising year in 1934, both as respects trading activity and, perhaps better, more stable prices.

[From the Washington Star, Dec. 24, 1933]

THRIVING BUSINESS SEEN IN WISCONSIN DURING HOLIDAYS—CHRISTMAS WELCOMED WITH CONVICTION BETTER TIMES ARE ACTUALLY HERE

(By William T. Evjue)

MADISON, WIS., December 23.—For the first time in 4 years Wisconsin welcomed the Christmas holidays with the conviction wide-

spread that better times are not only on the way but are actually here, and one of the outstanding factors contributing to revival is the Roosevelt C.W.A. program, which has been providing a $1,200,000 weekly pay roll for families formerly on public relief.

Reports from various parts of the State show a thriving Christmas business, with the department stores in Milwaukee and other population centers exceeding last year's sales figures by as much as 100 percent. Industrial commission figures showing increased employment in all lines are not necessary to convince that improvement has set in—crowded stores, busy streets, and the faces of the people tell their own story.

LIQUOR TAXES DELAYED

It is now almost certain that the legislature, in session now for 2 weeks, will not pass a liquor taxing and regulating bill before the first of the year. This week saw the introduction of the sixth bill for regulating liquor. Authorized by two conservative Democrats, the plan would apply virtually the Quebec system to Wisconsin, with sales by stores and a monopolistic State-owned wholesale agency. It is now apparent that the plan of Governor Schmedeman, which would have licensed liquor buyers at $1 a head and turned virtually all the liquor revenue over to the localities, is doomed to defeat.

The Bolens bill, sponsored by a leading State senate Democrat, is much more likely of enactment. It allows local option as to the permissibility of tavern over-the-bar sales and keeps all revenues for the State for budget-balancing purposes.

One dark spot on the outlook in Wisconsin was the sudden drop in the price of cheese from 10½ to 8 cents. This 2½-cent break set a record for recent years, and means the loss of hundreds of thousands of dollars a month to farmers and dairymen. Governor Schmedeman, who had sponsored "national cheese week" with a nationally broadcast speech, only to see the price of cheese skid during the "week", blamed the drop on Secretary of Agriculture Wallace and Wallace's cancelation of the Federal butter-buying program.

POLITICAL CIRCLES ALIVE

Political circles began to grow lively with the announcement of several candidacies for major posts. Rumor also began to bring the names of State figures into the light as likely contenders in next year's political arena. Against Senator BOB LA FOLLETTE, Jr., the Democratic candidacy of Mrs. Gertrude Bowler, of Sheboygan, Democratic national committeewoman, has been announced. Walter J. Kohler, former conservative Republican Governor, is reliably reported to be ready to oppose Senator LA FOLLETTE in the Republican primary.

The State Democratic organization filled a gap in the State committee this week with the election of Joseph Martin, Green Bay attorney, to the chairmanship. The Martin election was considered a Schmedeman victory, and Martin is one of the Governor's staunch supporters. William B. Rubin, of Milwaukee, leader of the more progressive faction of Democrats, fought the Martin candidacy but was voted down.

STORES IN INDIANA REPORT LARGE SALES—C.W.A. PROGRAM EMPLOYS 100,000 PERSONS, WITH PAY ROLL OF $1,800,000

INDIANAPOLIS, IND., December 23.—A more cheerful atmosphere pervaded Indiana this Christmas season than at any time during the last 3 years.

With thousands of persons heretofore unemployed cashing C.W.A. checks, stores throughout the State reported unprecedented Christmas shopping. One of the largest department stores in Indianapolis last Saturday turned the largest volume of business in a 5-year period. All through the week merchants augmented their sales forces to handle the constantly increasing crowds of buyers.

Nearly 100,000 persons were on C.W.A. work, and the weekly pay roll amounted to $1,800,000. In addition to that, the State highway commission had found jobs for an additional 26,000 persons, with a weekly pay roll of $200,000.

Although an absolute check cannot be made yet, William Book, director of the State welfare department, estimates that the number of those on relief rolls has dropped from a peak of 80,000 on November 15 to less than 50,000 now. One of the anomalies of the situation noticed by him, however, is that demands for poor relief have increased under a mistaken impression that a person must be in want before he can obtain a C.W.A. job.

Another indicator of better days is found in the Indianapolis bank clearings, which rose from $8,458,000 on December 2 to $10,053,000 on December 16. This was in contrast to 1932, when in the week before Christmas bank clearings scaled sharply downward.

SOUTHEAST RECORDS BIG BUSINESS GAIN—ATLANTA BANK CLEARINGS FOR WEEK ENDED DECEMBER 13, 46.7 PERCENT OVER WEEK IN 1932

(By Edwin Camp)

ATLANTA, GA., December 23, 1933.—Two indices, taken in this section as unfailing, indicate the tremendous business recovery that is taking place in the Southeast.

For the week ending December 13, as reported by Dun & Bradstreet, Inc., Atlanta's bank clearings increased 46.7 percent over the same week of 1932. This contrasts with an increase of 7.8 in New York City and of 6.5 for the country as a whole. The increase was 17 percent more than that of any other city in America, Dallas, Tex., being the nearest with 29 percent.

The second index is the Atlanta mule market. Even more accurately than bank clearings, the activity and the prices prevailing in these auctions are accepted as a barometer of agricultural conditions and prospects. It is a cash market, and farmers do not buy unless they have the money and an outlook for profitable use of the mules. Number of draft animals sold in the local market, which is the biggest in the country, has quadrupled that of last year and is the largest since 1926. Prices are 35 percent above 1932.

[From the Washington Herald, Jan. 1, 1934]

FARMERS GET HIGHER PRICES FOR NEW YEAR—BUYING POWER ALREADY UP—PROSPECTS FOR AGRICULTURE BEST SINCE DEPRESSION BEGAN

(By Edw. A. O'Neal, president American Farm Bureau Federation)

The American farmer faces 1934 with probably the best prospects since the beginning of the depression. Farm buying power has increased about 24 percent since the low point of 1933, and the machinery is set up to bring about a marked increase in prices for farm products during the next few months.

The winter wheat acreage has been materially reduced; the cotton farmer will certainly drastically reduce his production by renting a portion of his crop acres to the Government; and no Corn Belt farmer can afford to reject the inducement offered by the Agricultural Adjustment Administration to keep fewer sows and grow fewer acres of corn.

PRICE RISE EXPECTED

With the market curtailment of production in prospect, it is likely that the burdensome surpluses that have borne down heavily on market prices will gradually disappear. Lower visible supplies will have a bullish effect on prices.

Money is getting into circulation at a rapid rate in farm areas. During November more than $58,000,000 was loaned by the Federal land banks, and the rate is constantly increasing. The Federal intermediate credit banks on November 30, 1933, had outstanding loans to the amount of $136,861,440, much of it in loans recently granted. Wheat benefit payments now stand at more than $7,000,000.

The amount of money to be loaned on corn may reach $200,000,000. The corn-hog plan for curtailment of production will release possibly $350,000,000.

DEBTS TAKE TOLL

It is true that a large part of all this money is being used, or will be used, to retire old debts, but a substantial part of it will go into new purchases. Even if all of it were used to liquidate debt, it would have a very definite effect in increasing the liquidity of banks and in increasing the velocity of the circulation of money, which will affect business and commerce in all farm communities.

We must not ignore the effects of the public works program that is being pushed so aggressively at the moment. The cash released here goes immediately into circulation, to the great benefit of the merchants and manufacturers.

If we will add the number of workers on these projects to the number of farmers who will receive money from the Government or from some quasi-Government institution during the next 12 months, it is likely we will find that a majority of the heads of families in this country will have participated in some way in a movement that is distinctly reflationary.

BENEFITS MAY PYRAMID

It is my belief that once agriculture, which is industry's best customer in this country, is put back on its feet, we will see a revival in business much more marked than is generally expected. Should this occur, benefits to all the people will be pyramided in an ascending spiral, the exact antithesis of the downward spiral that wrecked so much havoc following 1929.

Getting down to figures, the national farm income for 1933 will amount to around six and one half billion dollars. Total factory pay rolls will closely approximate this figure, as they always go up and down together. In 1926 farm income and factory pay rolls both exceeded eleven billions.

[From the Washington Star of Dec. 31, 1933]

HEARTENING GAINS IN PRICES HELP—DEFINITE IMPROVEMENT CITED BY PRESIDET OF FARM CHEMICAL FIRM

(By Horace Bowner, president the American Agricultural Chemical Co.)

The year 1933 has seen a definite improvement in agriculture. Farm prices have turned upward and the long downward trend of farm income has at last been reversed. Gross farm income for 1933 is estimated at six and one third billions, a 25 percent increase over 1932. Farm prices have shown substantial improvement, averaging 71 percent of prewar on November 15, as compared with 54 a year ago and with the low point of 49 in February of this year. This means an increase of 45 percent in a period of 9 months. Were the eyes of the Nation focused solely upon economic recovery, this fact would undoubtedly have aided greatly in accelerating the upward trend in general business.

In what now appears to have been a premature burst of speed, the farm price index rose to 76 in July, as compared with 64 in June. The inevitable recession was followed by a slow, steady recovery, which is indicative of a better basic position in the principal farm crops.

The problems of agriculture are principally two: First, low prices, which at times have barely covered production costs of

even the most efficient producers; and, secondly, the disparity between prices received by the farmer and prices paid by him for the things he buys.

PAYMENTS ALSO HELP

Higher crop prices, as indicated by the 45 percent increase in the farm-price index, have brought a definite measure of relief to a hard-pressed agriculture; and this does not represent the entire gain in farm income, since benefit payments made to farmers for taking land out of production are not included in these farm-price indices. Up to December 10 actual cash payments of $115,000,000 had been made to farmers in the first seven months' operation of the Agricultural Adjustment Act. This total was paid directly to wheat, cotton, and tobacco farmers, in return for acreage reduction contracts.

No figures are available at this time as to the amount of money advanced to cotton and corn-hog farmers on the crops which they have sealed in warehouses as security for loans. It now appears, however, that the Government will be called upon to advance only a part of the funds provided for this purpose, as price improvement is encouraging private agencies and local bankers to lend more freely on such collateral.

Summing up the agricultural operating statement for the year, we find an increase in farm gross income slightly in excess of $1,000,000,000, of which about 10 percent is accounted for by Government cash benefits for acreage reduction. On the expense side of the income account the 1933 crop year will show exceptionally low production costs. Pressure to reduce local taxes has also resulted in substantial improvement in that phase of the farmer's overhead expenses. Machinery for the adjustment of farm-mortgage indebtedness—which, as a matter of fact, has never been disproportionately heavy—is now operative, with the result that this phase of the farmer's burden has for the most part likewise been provided for.

As a result, sentiment in the principal farming areas is probably better today than at any time in the last 3 years. Retail and mail-order sales reflect the improving situation, and, in spite of vehement political expressions on agriculture's behalf, the farmer is today in a much better frame of mind, as indeed he has definite reason to be.

HELD CONSERVATIVE

The thinking farmer—and in my experience he is in the majority—realizes that in the face of this improvement he has much to lose and little, if anything, to gain from extreme inflationary measures. Most farmers are conservative, using that term in its truly constructive sense; they realize that printing-press inflation would be apt to raise the prices of the things they buy just as rapidly as the prices of the crops they sell. This point of view probably accounts for the more temperate recent utterances of the extreme inflationists.

Reverting now to the second major problem of agriculture, the disparity in the purchasing power of farm crops, we find that on November 15 the price of things bought by farmers was 117 percent of pre-war, as compared to 71 percent for prices received for their crops. Thus, the ratio of prices paid was 61, compared with 71 in July and 49 in February. Between February and November there has been a 25 percent improvement in the farmers' relative purchasing power.

There still is a long way to go to reach a theoretical parity of 100 percent for this ratio, and as compared with July, some ground has been lost. But it cannot be emphasized too strongly that monetary problems have no relationship to the relative purchasing power of farm crops; all of the emphasis placed upon so-called "inflationary measures" advanced in the interest of agriculture has solely to do with prices received by the farmer for his crops. The farmer has nothing to gain from extreme inflation, which would not improve the relative position of the farmer.

This problem of the disparity in farm purchasing power is one of the most stubborn with which the Nation has to deal. It has been several decades in the making, and it is unreasonable to expect an immediate solution. Frankness and candor in explaining this to the farmer are imperative. Now that we are embarked upon a far-reaching program of crop curtailment, it is necessary, regardless of one's views of the economics of that experiment, to give it complete support and cooperation. But it should be pointed out at every opportunity that unsound inflationary measures will only confuse the situation and prevent us from obtaining a conclusive result.

FOREIGN MARKETS NEEDED

Meanwhile, the farmer's best interests will be served by putting the maximum amount of ingenuity and energy into the task of reopening foreign markets for American crops. High tariffs and drastic trade regulations continue to exert an adverse influence. While trying to reopen old markets let us try to find others. Academic discussion of a policy of self-containment is a waste of time, for we have by no means demonstrated that we can effectually curtail production in the presence of a rising price level.

As estimates now stand, the acreage of crops harvested in the entire country during 1933 was about 8 percent less than in 1932, and the crop yield averaged 5 percent less. A 29 percent decline in the 1933 wheat yield, a 20 percent decline in the corn yield, together with 43 and 47 percent declines, respectively, in oats and barley, were primarily responsible for reduced total farm output. Nature herself did a pretty good job in improving the supply and demand relationship in these crops.

[From the Washington Post, Dec. 31, 1933]

WAGES JUMP 25.6 PERCENT SINCE JUNE

The wage rate increased sharply since last June, according to the Business Conditions Weekly, when the lowest point was reached during the depression. Factory employees in June received an average of 41.8 cents per hour, 27.2 percent lower than the 1929 average of 57.4 cents per hour. From June to October, wage rates showed an increase of 25.6 percent. October wages amounted to 52.5 cents per hour. Only 8.5 percent less than in 1929.

The rise in wage rates was offset by the cut in working hours from 42.6 hours per week in June to 35.8 hours per week in October.

Weekly earnings in October were $18.80 as against $17.81 in June, an increase of 5.6 percent in earnings per hour as compared with the increase of 25.6 percent in earnings per hour. This weekly rise in earnings was not sufficient to offset the 9.3 percent rise in prices and the wage earners' purchasing power was consequently lower in October than in June.

On the matter of wage earners the Business Conditions Weekly says: "The wage earner in October, however, was considerably better off than in March, when his weekly earnings were at the lowest level of the depression.

[From the Washington News, Dec. 6, 1933]

THE G.O.P. ATTACK

If there is anything the Roosevelt Administration needs it is intelligent criticism. The President himself has said so. It is unfortunate that the attack by the Republican National Committee does not meet this need.

The Republican campaign pamphlet, entitled "Tories, Chiselers, Dead Cats, Witch Doctors, Bank Wreckers, Traitors", lacks conviction. It hides behind criticisms of the administration by certain Democratic newspapers.

The glory of the "new deal" is in the fact that it is a series of experiments in cooperative climbing out of the deep hole we dug for ourselves in the "tawdry twenties." But an experiment to get anywhere must be guided by intelligent criticism. The curious—and distressing—thing is that about the only creative criticism of the "new deal" has come from the "new dealers" themselves. President Roosevelt in play after play outsmarts the other team.

That is all very fine for the President. But, after all, no one leader or group should have a copyright on cleverness. By long experience we have learned that 2 parties are better than 1. Out of the conflict of half-truths, truth emerges.

Unfortunately, the G.O.P. seems to have nothing to offer. The administration's monopoly of ideas comes from the other fellows' default.

So long as the G.O.P. has nothing to offer but a return to the old bankruptcy, it may as well save its pamphlet printing bills. Because the public is determined to have a "new deal" of some kind. The public may not be 100 percent sold on the particular Roosevelt brand. But even the minority of citizens who are dissatisfied with the Roosevelt results are asking: "What is the alternative?" The G.O.P. has no alternative.

If the Republican National Committee will go back and thumb through the worn political copybooks, it will find its forgotten maxim:

"You can't beat somebody with nobody; you can't beat something with nothing."

CHRISTMAS, '32 AND '33

"God rest you, merry gentlemen,
Let nothing you dismay."

It took great faith to chant this, our favorite carol, last Christmas. Today we may sing it right lustily. For, however lamentably conditions fall shy of what we'd wish for America the Yule season of 1933 is a vastly happier one than that of 1932.

Christmas last year dawned on the homes of 12,000,000 unemployed. Economic chaos, hunger, child labor, farm unrest, bank insecurity were ugly realities. The Nation's purse was at its flattest state in years. The Roosevelt new deal was only a dawning hope. The sour face of prohibition haunted the byways.

Today more than half of those jobless are back at work, some 2,500,000 on the pay roll of private industry, some 4,000,000 on Government emergency work. In addition more than 300,000 young men of the C.C.C. have turned from bumming to work in the woods in the midst of God's own Christmas trees. The best possible Christmas present, freedom from toil, has been dropped into the stockings of more than 60,000 child workers.

The Government is fighting want with a billion dollars worth of surplus farm products. Banks are by way of being safer, securities more secure. Into the flattened American pocketbook is being pumped new industrial buying power at the rate of $3,000,000,000 a year. The weather, "Triple A", and other things have brought smiles to the farmers' faces by adding at least $1,000,000,000 to their incomes. And, in 24 States at least, we may drink to this and merrier Christmases from a wholly legal wassail bowl.

[From the New York Times, Dec. 29, 1933]

MIDDLE WEST AND NEW ENGLAND NOTE A STEADY IMPROVEMENT IN BUSINESS—CHICAGO BANKS STRONG—THOROUGH OVERHAULING EARLY IN THE SLUMP AIDED RECOVERY—RETAIL SALES SHOW GAIN—MAIL-ORDER TRADE, BASED ON PARCEL-POST RETURNS, AHEAD OF 1932

(By S. J. Duncan-Clark)

CHICAGO, December 28.—In the middle western agricultural and industrial area, of which Chicago is the financial center, the recovery from depression has been sufficiently steady and conservative to give excellent promise for the coming year. In large measure this is due to the thorough overhauling which the banking situation received during the early years of the slump.

The Christmas trade has been a fitting climax to 10 months of improvement. Marshall Field & Co. and Carson, Pirie, Scott & Co. reported that the physical volume of merchandise handled in the retail stores on several days was actually larger than in the corresponding period of 1929. The December business of the latter firm broke all records.

Output of electricity in the Chicago public-utility district, which includes part of the northern end of Indiana as well as part of the factory area between Chicago and Milwaukee, closed the week of December 16 only 3.6 percent above last year, but was at the highest level since January 9, 1932. In general, the local use of electric power has been running well in excess of 1932.

PARCEL POST HEAVY

Outgoing parcel-post shipments have been running 15 to 18 percent above the corresponding weeks a year ago, being about 60,000 sacks a day. Incoming shipments averaged about 20,000 sacks daily. This, of course, reflects the mail-order sales of Sears, Roebuck and Montgomery Ward from the Chicago headquarters of this district.

The steel mills south and southeast of Chicago have been increasing their rate of operation rapidly, the independents leading, and are from 2 to 3 weeks ahead of the usual seasonal upturn. Predictions are made that there will be a slight sagging after the first of the year, the current rise being partly due to the rush to specify on the favorable terms available in the fourth quarter. Still later, beginning February 1, local steel men predict a sharp increase to still higher levels. Statements have been made that the national rate should reach 40 percent of capacity at that time.

The meat-packing industry—in some respects the largest industry of the city—has at last reversed its years of annual inventory loss and is beginning to show satisfactory profits. Swift & Co.—the largest of the "big four" packers—reported a $500,000,000 business in the fiscal year ended October 29, with a net income of $10,149,482. Although the future trend is more likely to be upward than downward, the burnt fingers of other years induced the management to set aside $4,267,000 of income as reserve for possible price fluctuations. The packers do a business in fresh meats all through the year, but their heaviest packing season is the winter and most of the ham is sold in the late spring and summer.

Sales of automobiles for the month of November—the latest complete month available—were 147 percent above a year ago. The figures prepared by the Federal Reserve bank of Chicago, cover the greater part of Illinois, Indiana, Iowa, Wisconsin, and Michigan. There was a heavy drop from the previous month, but the seasonal recession was far less than last year. New cars on hand are about 30 percent below normal, while used cars—that had almost vanished from the market last year—are beginning to reappear in fair number as new cars are purchased. Good used cars should be in considerable demand when prosperity returns.

BANKS IN GOOD CONDITION

The great advantage of the Chicago area was that its banking groups started upward from a solid foundation. The extraordinary collapse of the Insull fortune in 1931, which made so much collateral worthless, together with a tax muddle that wrecked the real-estate market by taxing 1931 on 1929 valuations with the double burden of lost years thrown in, brought on the crisis earlier than in the rest of the country.

Because of this all the really doubtful banks had closed in the pinch of June 1931 and June 1932. After the moratorium there was not a single major failure. The examination for Federal deposit insurance, just completed, showed one of the cleanest reports in the country. Considering that it applied to 56 banks instead of 196 in Cook County in 1929, that is not surprising. The closed banks had been for the most part small neighborhood institutions, and the aggregate deposit loss was not over 8 percent of the total deposits of the city.

For the seventh Federal Reserve district, the cash from the R.F.C. loans to banks for liquidating dividends, which will run close to $1,000,000 a day after January 1, should provide an excellent stimulus to further recovery. The bulk of this money will go outside Chicago, for the banks here that are in a strong position are for the most part still trying to reorganize and have delayed accepting the assistance.

Detroit is really in the Chicago area, and the automobile men are so optimistic in regard to the coming season, in private conversation, that their predictions can hardly be ignored. Rather curious, however, is the refusal of the most cocky sales manager to go on record in public with the statements he makes to his sales group.

The Middle West is chary of forecasts, but it is already showing substantial vigor in recovery from the extreme bottom of the depression.

[From the New York Times, Dec. 29, 1933]

TEN-PERCENT GAIN NOTED—SIX STATES ANTICIPATE INCREASE IN VOLUME IN HALF YEAR—BIG JUMP IN EMPLOYMENT—OCTOBER PAY ROLLS 25 PERCENT ABOVE 1932—N.R.A. CODES SATISFACTORY

(By F. Lauriston Bullard)

BOSTON, December 28.—New England enters the new year with sound warrant for good hopes of the future. These six States have been hard hit, but at no time did they slide as far into the depths as did other sections. There is a long climb ahead, but, speaking in general terms and with due regard for some bad spots, a real start has been made, and the upward trend is expected to continue.

The year ends with a volume of business 10 percent in advance of last year. This volume should be increased, at least during the first half of 1934 and probably through the year.

New England stands predominantly for textiles and shoes. The consumption of both raw cotton and raw wool during 1933 has been much greater than in 1932. The 1933 production of footwear for the entire country is estimated at 350,000,000 of pairs. New England would account for a third of this total. This is a remarkable showing. Only once or twice has it been surpassed. There doubtless will be some recession from this high level in the coming year, but production is expected to continue in large quantity.

The smaller industries, of which there are a great number in these States, have had a much better year than in 1932 and they are looking into the future with considerable confidence.

EMPLOYMENT HAS INCREASED

Since last March there has been a heavy increase in industrial employment in Massachusetts, with only a small decrease in November from the high of October. The index stood at 53.9 in March; by October it had advanced to 76.5, and the latest ratio available, that of last month, is 72.9. The October pay rolls were a fourth higher than for the same month of 1932. Employment in boots and shoes in that month was 90 percent of normal; in cotton goods 95 percent, in woolen and worsted goods nearly 104 percent, and in knit goods 108 percent. The situation in the manufacturing centers of southern New Hampshire and Rhode Island is similar. These, to be sure, are industries which produce consumers' goods; employment in industries producing capital goods is lower.

As of November, 70 N.R.A. codes have been applied to New England industries which are of sufficient magnitude to find a place in the Federal census of manufactures. Any study of these codes will indicate how diversified are the interests of New England, a circumstance of major importance for any stabilization of prosperity, and always the recreational industry has to be reckoned as a fundamental resource in a class by itself. A single metal code is applied here to no fewer than 26 separate industries. Of all the employers of labor in this section four fifths up to November 1 had signed codes, while of the grand total of 2,700,000 employees nearly 1,260,000 were working under codes. The textile operators are openly rejoicing over what the codes have accomplished for them in the equalization of competition. The shoe code gives general satisfaction.

RETAIL TRADE VARIES

The retail codes apply to 89.5 percent of the entire number of retail establishments and cover 328,000 employees, or 89 percent of that total. Retail volume in Boston for the latter half of the year was about the same as in 1932, and Springfield and one or two other cities also have shown no gains compared with a year ago. On the other hand, there have been large gains in the distinctively manufacturing cities; for example, Lawrence reports a gain for November of 21 percent; Fall River, 18 percent; Holyoke, 15 percent; New Bedford, 13 percent; and Lowell, 12 percent. Nine of the reporting cities showed small losses. It is a fact, however, that retail distribution has been better maintained within New England than without.

By and large, the credit not only of the six States but of the municipalities has been well protected. In most of the States some banking readjustments have been necessary, Rhode Island being a notable exception. Vermont is clearing up its banking troubles slowly and as yet has made small use of the Reconstruction Finance Corporation funds available. The stagnation of the building industry, now beginning to show some signs of recovery, has reduced heavily the demand for Vermont timber, granite, and marble. The fruit and dairy industries have fared somewhat better.

Maine has some special problems to be solved. Due to welfare demands and make-work enterprises, which have reduced greatly the ability of municipalities to pay in full the taxes owed the State, the State itself is employing various devices to make ends meet. The failure of a single trust company, which operated 42 banks in 35 towns and cities, damaged public confidence a great deal, but this condition also is in process of rectification. Industry on the whole is doing well in the Pine Tree State, especially textiles, shoes, and canning. The potato country has had something like a boom. The tourist business was good, but off somewhat from the high levels. Like the rest of New England, however, Maine is looking forward with renewed hopes.

[From the Washington Star, Dec. 24, 1933]

CHRISTMAS TRADE REPORTED AT BEST LEVEL SINCE 1928—SPIRIT OF GLOOM SWEPT AWAY; PAY ROLLS AND RELEASED DEPOSITS HELP—INDUSTRY CONTINUES UNSEASONAL ADVANCE—AID FOR MORTGAGEES AND HOLDERS OF MORTGAGE CERTIFICATES TALKED IN COMING YEAR

(By Charles F. Speare)

NEW YORK, December 23.—Reports from every direction emphasize the volume of Christmas buying, some placing it at the greatest since 1928. Several factors are responsible.

First is the change in the mood of the public. A year ago it was fearful of the future because of the known condition of the banks. This has been dispelled by the approach of the deposit-guarantee plan.

Second is the actual increase in the buying power in the hands of the American people by reason of the gain in employment and the higher average wage of those whose work had not been interrupted during the depression.

Third is the release of large sums of money by banks that had been under restrictions since March or whose period of partial service to the public antedated the moratorium.

A year ago there was a general expectancy of still harder times ahead. Now there is a feeling that the turn has come and that while money may not be plentiful in 1934 there will not be the necessity to live on reserves that had made so many cautious in their spending. The social philosophy of the Roosevelt administration may be contested by those who cannot adjust their minds to it. It certainly has extravagant features. It has, however, developed a new and healthier psychology among the mass of the people.

INDUSTRIAL GAINS UNSEASONAL

The major industries exhibit an improvement that is contrary to the season. This is a proof of fundamental gains in a direction that has been slow to respond to recovery mechanically or naturally inspired. The iron and steel ratio of production has again risen sharply to the figure of 36 percent of capacity, comparing with 32 percent at the end of October, when the drop from the high August ratio of about 55 percent was taking place.

Power and light production does not satisfy those in the industry, though it holds over 5 percent above the level of last December. Many of the railroads are moving more revenue cars of freight than at the end of 1932. The building outlook is better but greatly restricted by the mortgage situation, itself slowly feeling the benefits of widening areas of employment.

For the last 2 years the Reconstruction Finance Corporation has been centering its efforts on the railroads, the banks, and financial institutions, and other Government agencies have been creating relief for farmers, providing more profits from their crops and helping them to save their homes.

MORTGAGEES NEED AID

It is not unlikely that during 1934 aid from these same sources will be given to distressed mortgagees and holders of guaranteed mortgage certificates whose plight, in many cases, is more serious than that of those already relieved. If the figure of $10,000,000,000 in outstanding mortgage certificates is a correct one, then $5,000,000,000 represents the depreciation that holders have already suffered, in addition to their loss of income. The remaining equity is important enough to try to preserve.

The same is true of the investment that institutions and individuals have made in the past 20 years in municipal bonds. The total par value of municipal debt is $19,000,000,000. The greater part of municipal securities outstanding are today without a market. Bids for them are nominal; often at less than half the original cost price.

Here is another situation to which attention must be given next year. It is a companion of that in real estate. Both are domestic matters, and, therefore, may be approached sympathetically by those who believe in short shift for the holders of foreign dollar investments whose position was bad enough from the defaults of South and Central American countries and is now made worse by the steady refusal of Germany to meet full interest payments in cash.

NECESSITY QUESTIONED

When one considers all of the depreciation that has taken place in the important groups of American and foreign investments, one is inclined to question the necessity for further adjustment in the dollar value in order to lift the burden of debtors. The meaning of the $660,000,000 which the R.F.C. has advanced to the banks on collateral and the $1,000,000,000 or more that it proposes to lend them in the form of preferred stock or capital notes is that this sum represents part of the depreciation in their investments or in commercial loans which is now to be absorbed into a new capital structure.

Not a small part of this depreciation, which has "devalued" the portfolios of the banks, is due to the way in which debtors have violated their contracts to pay and the increasing popularity of this procedure since the United States repudiated her own gold agreements.

ADVANCE INDICATED IN TRADE ACTIVITY BY MOODY'S INDEX

NEW YORK, December 23.—Statistics appearing during the last week indicated a higher rate of business activity, according to Moody's Index figures for freight-car loadings, electric-power production, and steel ingot output.

These index figures are adjusted for seasonal variation—that is, if the change from the previous week should coincide with the normal seasonal change—the index figure would be unchanged.

	Car loadings	Electric	Steel	Combined
Last week	59.5	101.3	48.0	69.6
Previous week	56.3	100.5	44.1	67.0
Month ago	59.1	101.8	36.0	65.6
Year ago	55.5	96.4	21.1	57.7
1933 high	63.7	109.2	78.1	83.7
1933 low	45.6	88.7	15.5	50.5

1928 weekly average equals 100.

UTAH HOME LOANS TOTAL $881,205.10—DWELLINGS OF 353 FAMILIES SAVED—C.W.A. CHECKS BRING REAL CHEER

[From the Washington Star, Dec. 24, 1933]

SALT LAKE CITY, UTAH, December 23.—Home loans have saved the homes of 353 families in Utah at a total cost of $881,205.10, which means that more than 1,500 people have had the burden of worry lifted from their shoulders just as winter set in. Utah has been enjoying one of the mildest winters on record. What early this season generally is snow was rain this year, and there is scarcely enough snow now for a schoolboys' battle. And the weather has been warm and balmy. This help from nature has been a boon to the relief organizations which have prevented actual suffering. The strain has been heavy on those who had to give, but the contributions were made.

Real cheer for Christmas has been brought by the C.W.A. checks which the heads of families now are drawing instead of allotments from the relief warehouses. There are 6,000 C.W.A. workers in Salt Lake City and many more throughout the State, and all are doing useful work.

One angle of the work which is benefiting Salt Lake City especially is the mosquito abatement work. The flats near the Great Salt Lake, and only a few miles from the city, have been a breeding place for mosquitoes for many years. Plans have been drawn and every preparation made for the actual drainage of these lands for several years, but the work was not started.

ULTRACONSERVATIVE PENNSYLVANIA G.O.P. GOING PROGRESSIVE—NEW DEAL, REPUBLICAN DEFEATS, AND DEMOCRATIC FEARS CAUSE ABOUT FACE

HARRISBURG, PA., December 23.—Pennsylvania's Legislature, for years dominated by an ultraconservative Republican organization, has reversed the stand it took 8 months ago in regular session upon a number of important progressive issues.

Influence of the "new deal" at Washington, Republican defeats in last month's elections, fear of Democratic success in the 1934 State campaign, and the Democratic program of liberal legislation combined to accomplish the about face.

BAR CHILD LABOR

Both houses voted this week to ratify the child-labor amendment to the Federal Constitution. The senate by a margin of one vote saved the resolution by defeating a motion to recommit. The house suspended rules and discharged a committee to force action on the same measure. Half a decade ago Pennsylvania rejected the same amendment decisively, but since then some textile manufacturers who opposed it at that time have defended the possibility of congressional action on child-labor regulation as the only means of reducing competition with Southern States.

By virtually unanimous votes both houses adopted a plan of old-age assistance. That achievement is little short of a legislative revolution in this State. In the past such proposals seldom emerged from committee; if they did, they received thumping defeats. The new plan, effective December 1, 1934, proposes to pay $30 a month to indigents over 70 years. Estimated to cost $12,000,000 a year at first, the money is to be provided from profits of State liquor taxes.

[From the Washington Star, Dec. 24, 1933]

NEW JERSEY PUTS 103,000 IN C.W.A.—ROADS, PARKS, AND AIRPORTS TO BE IMPROVED UNDER PROGRAM

(By Edward M. Gilroy)

TRENTON, N.J., December 23.—More than 103,000 persons are working in New Jersey under the Civil Works Administration program. The State exceeded its quota of 90,000 jobs by a sustained drive of State, county, and municipal officials.

A new class of workers was created overnight and the State's direct emergency relief rolls greatly reduced. John Colt, of Princeton, State director of C.W.A. and State relief administrator, is well satisfied with the success of the program. Despite the rapidity with which the workers were placed, he declared, great care was taken that no wasteful expenditure of public funds would result merely to create jobs.

MOST QUOTAS REACHED

"After a careful survey of the State", Colt declared, "I feel safe in saying that the taxpayer will get his money's worth in the C.W.A. program. Some projects have been turned down."

Only 2 of the State's 21 counties—Monmouth and Sussex—failed to reach their employment quotas. Several far exceeded the allotment, Burlington employing three times its quota.

Work being performed is scattered throughout the State. Much of it is being directed toward road repairing, park improvements, and airport development. Newark Airport will be considerably enlarged and runways improved if the program is carried out.

One of the major public benefits under the C.W.A. is in recataloging books of the Newark Library and rebinding its collection. The city could not afford to undertake this work, but the large investment in the library is being protected by C.W.A. funds. Curtailed Federal, State, and municipal services are being restored to their former status.

TWO HUNDRED AND THIRTY-TWO PLANS O.K.'D IN SOUTH DAKOTA—RELIEF PROJECTS EXPECTED TO PUT BIG SUM BACK INTO CIRCULATION

SIOUX FALLS, S.DAK., December 23.—A total of 232 South Dakota relief projects have been approved and reported to officials at Washington, it was announced by J. B. Longrie, assistant State civil works administrator. This number includes 44 not previously announced. Of the total number, 168 are rural-credit projects, while less than a dozen call for construction of dams on State school lands, leaving about 60 which originated with local communities.

Sioux Falls and Minnehaha County, of which Sioux Falls is the county seat, are being benefited by the relief projects. Monday of this week 550 men were put to work on civil-works projects in Sioux Falls and the county. It was announced this number will be increased to about 1,500 when work is in full swing on all the projects in the city and county, with a pay roll amounting in the aggregate to many thousands of dollars each week.

The men who have been put to work, and others who will be given employment on the civil-works projects, had been idle many months. The money they will receive in wages is regarded as certain to find its way into circulation, with a resulting improvement in the business of many industries.

The Public Works Administration since early in September has allocated $1,422,000 for various projects in South Dakota, W. F. Cochrane, public works engineer for South Dakota, said.

M. A. Kennedy, State relief administration statistician, announced that the use of State beer revenue for livestock feed has been discontinued and Federal funds are being used instead. To date the State has expended $35,946.39 of Federal funds for purchase of livestock feed, and large additional sums will have to be spent during the remainder of the winter and early spring.

At one time recently the State relief administration wired for 200 additional cars of corn. All the grain and hay purchased with Federal funds, under direction of the State relief administrator, are being distributed from concentration points in different parts of the State.

NEBRASKA REPORTS INCREASE IN TRADE—C.W.A. JOBS AND HIGHER BANK CLEARINGS FORETELL BETTER BUSINESS

OMAHA, Nebr., December 23.—Increased bank clearings, thousands more provided with work by the Civil Works Administration, satisfactory betterment in retail trade, and numerous reports of improved business in the remoter parts of the State all contribute to a feeling of well-being such as this agricultural State has not experienced for many months.

Nebraska farmers have not yet begun to take advantage of the corn loan program in numbers. The local R.F.C. corn loan office, which also serves Iowa, has devoted its services to farmers of that State almost exclusively so far, for Iowa got in legal line earlier. When the Nebraska farmers start cribbing their corn and obtaining loans on a 45-cents-a-bushel basis, there seems assurance that the holiday feeling will continue through the winter. And it is not without the realm of possibility that Nebraska farmers are not in such need of these loans as was supposed.

In the spring the public works projects, already approved, will get an early start, State N.R.A. officials assert. They are many in number, planned to follow the C.W.A. program that will thin out around March, according to plan.

CLEARINGS UP 30 PERCENT

Omaha bank clearings for last week showed an increase of 30 percent above the same week a year ago. Allen T. Hupp, secretary of the Omaha Associated Retailers, reported increase in retail trade about 5 to 10 percent in dollar volume. The Omaha World-Herald reported an increase of 5,675 in its State circulation from August to November.

Job placements in the C.W.A. program this week in 83 out of 93 counties in the State totaled 43,463 compared with about 31,000 a week ago. At the same time the registration of unemployed reached 50,955. A rush to register has been noted, since only registered men are given Federal program jobs.

[From the Washington Sunday Star, December 24, 1933]

GAIN CONTINUES IN STEEL INDUSTRY—DEPARTMENT OF COMMERCE STRESSES IMPORTANCE IN WEEKLY TRADE REVIEW

Continued improvement in the steel industry featured the domestic industrial developments during the week ended December 16, the Commerce Department reports in its weekly summary of the situation.

A further gain is indicated for the current period, with the operating rate as of December 18 estimated at 34.2 percent of capacity, or 2.7 points higher than on December 11. This compared with the low of about 25 percent in November and with 13 percent in the same week of 1932. Part of the recent improvement is traceable to deliveries on fourth-quarter contracts which specify prices below those announced for the first quarter of 1934.

POWER OUTPUT RISES

Electric power production increased by more than the usual seasonal amount, although the percentage gain over a year ago was 5.2 percent, or 1.4 percent less than in the preceding week, owing to the sharper increase in the corresponding week of 1932. Automobile production increased about 30 percent as three companies resumed assemblies. Output of 16,800 units, however, compared with 30,600 a year ago, continues to reflect delays in the production of 1934 models.

Fisher's index of wholesale commodity prices advanced to 72 percent of the 1926 average, or 0.2 of a point below the high of the year. The increase was the result of a further rise in the nonagricultural group, as the combined index of agricultural products remained unchanged.

The index of bond prices moved higher for the third successive week and was only 1 point below the figure for the first week of October.

STOCKS IRREGULAR

Irregular movements on the stock market resulted in a very slight change in the index. The outstanding loans of the reporting member banks declined last week to the lowest figure since the week of July 1, as a result of a further drop of $66,000,000 in "all other" loans.

Reserve bank credit outstanding increased by $62,000,000, mainly through bill purchases. Government securities held by the reserve banks have remained substantially unchanged for the past 5 weeks. The daily average quotation on sterling exchange was 3 cents lower for the week at $5.09. Short-term interest rates advanced slightly, owing to seasonal influences. Commercial failures declined, the total for the week being 260, as compared with 590 in the same week of 1932.

HOG PRICES FORGE UPWARD ACTIVELY—ADVANCE OF FULLY 25 CENTS ON CHOICE MEDIUM WEIGHT OFFERINGS SHOWN AT CHICAGO

CHICAGO, December 23.—The hog market displayed a burst of activity today in the limited preholiday dealings, and prices advanced fully 25 cents on choice medium-weight hogs. The top swung up to $3.75.

Receipts of 21,000 carried 19,000 direct to packing plants, and all interests bought freely because of the impending holiday. Shippers took 1,000 head, about the heaviest purchases of the week.

Medium weights were in demand and sold at the maximum advance. All others sold from steady to 10 cents higher, with the bulk of all hogs going at $2.90 to $3.65.

Cattle were nominally steady and generally 50 cents to $1 higher than last Saturday.

Sheep were also nominally steady and mostly 15 cents higher than a week ago.

HOME CONSTRUCTION CONTRACTS MOUNT—TOTAL FOR FIRST HALF OF DECEMBER EXCEEDS FIGURE FOR ENTIRE MONTH LAST YEAR

NEW YORK, December 23.—Contracts for residential building during the first half of December in 37 States east of the Rocky Mountains, totaling $13,629,200, exceeded by 5 percent the similar contracts for the entire month of December in 1932, it was shown today by F. W. Dodge Corporation reports.

L. Seth Schnitman, chief statistician for the corporation, called the improvement "the most dominant favorable development on the domestic economic horizon in many months."

The improvement shown was universal throughout the territory east of the Rockies with exceptions in upstate New York, the Southeast, and the St. Louis area. Significant increases occurred in the metropolitan area of New York, the Kansas City district, and Texas.

"While the improvement is rooted in the accelerating processes of the Federal program of public-works construction, it is important to remember that normally it is residential building that provides the stimulus to construction generally and to business activity as a whole", the statistician said.

VIRGINIA CHEERED BY HOLIDAY SALES—DANVILLE REPORTS INCREASE OF 75 PERCENT DUE TO TOBACCO GAINS

RICHMOND, VA., December 23.—Santa Claus, that rotund old fellow, is doing his part toward driving Old Man Depression out of the Old Dominion.

Business is up, away up, say the merchants who report sizable gains in holiday sales and abnormally large staffs of extra workers to care for the needs of shoppers.

All cities report increases in buying volume, ranging from slightly above last year's sales at Norfolk to an increase of 75 percent at Danville, where tobacco prices are high and there's money in the growers' pockets.

NORFOLK AVOIDS LULL

Norfolk's slight increase is regarded as outstanding, however, in view of the fact that the fleet is on the west coast this Christmas, depriving Norfolk merchants of the handsome holiday trade with which the middies heretofore have favored them. Another significant factor is the sharp increase in cash purchasing.

Danville's amazing 75 percent increase set the pace, but other cities showed substantial gains in unofficial surveys. Richmond merchants reported an increase of approximately 30 percent, while

Lynchburg and Roanoke conservatively estimated business increases of 20 percent over the last Yule season.

One Roanoke merchant reported that his force was four times as large during the holidays as ordinarily. Some firms which expanded their forces under N.R.A. agreements reported that they needed no extra help.

SHIPBUILDING IMPROVES

Unfavorable weather at the start of the week hurt trade conditions in some cities, but several reported that the rains failed to deter the bundle-laden holiday shoppers.

A pick-up in the shipbuilding industry, with the prospect of normal employment within several months, brought an improvement in the Christmas business at Newport News, observers said. At Bristol substantial increases were reported in the holiday trade.

[From the Washington Post, Jan. 1, 1934]

TAXPAYERS WIN NEW YEAR'S GIFT OF 130 MILLIONS—CUTS IN GASOLINE AND DIVIDEND LEVIES ARE EFFECTIVE TODAY

Automatic discontinuance of $130,000,000 in Federal taxes started the new year off right last night for some taxpayers who are assured of relief from another $80,000,000 in special taxes later in the year.

One half cent of the 1½-cent Federal levy on gasoline and the 5 percent tax on dividends passed with the old year at midnight, Congress having specified when it put them into the Recovery Act that they should cease on January 1 after the repeal of the eighteenth amendment.

On next July 1, for like reason, the tax on corporations of $1 for every $1,000 of capitalization, and the 5 percent levy on corporation profits in excess of 12½ percent of capital structure, will be discontinued.

The estimated annual yield of the extra half cent gasoline tax was $62,000,000, and of the dividend tax, $70,000,000. The capital stock and excess profits taxes together were figured to bring in $80,000,000.

EXPECT $470,000,000 ON LIQUOR

A means of recapturing this $212,000,000 and providing an estimated total of $470,000,000 through Federal liquor taxes has been provided for in a bill which the House Ways and Means Committee will present to Congress next week.

The tentative measure, approved more than a week ago, after joint hearings with the Senate Finance Committee, calls for a $2 a gallon tax on distilled spirits—90 cents more than the existing levy. A reduction from $6 to $5 a barrel in the rate on beer is provided, and the present tariff rates, including $5 a gallon on spirits, are retained. Varying excise levies on wines are included; blended and rectified liquors will have to pay the existing extra 30 cents a gallon tax, and floor stocks of spirits the 90-cent difference between the present $1.10 tax and the contemplated $2.

WILL TIGHTEN TAX ENFORCEMENT

Drafting also will be completed, probably next week, of the other big 1934 tax measure, a revision program counted on to bring the Treasury up to $270,000,000 more in each of the next 2 years, principally through tightening up of administrative provisions of the income-tax laws.

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N.R.A. INVENTORY SHOWS CODES AID 20,000,000—BRIGHT FUTURE ALSO SEEN AS LEADERS CONTINUE TO FLY EAGLE

In a year-end inventory N.R.A. announced yesterday its codes cover a preponderance of American industry and regulate work hours and wages of 18 to 20 million workers.

In just 6 months and 2 weeks from the day President Roosevelt signed the Industrial Control Act, 182 codes have been created, covering the major part of the important industries. Hundreds of more codes are still to be prepared, but N.R.A. estimate the industries affected by them employ only 4 to 6 million workers, and that the bulk of the organizing job could be completed by the end of January.

Yesterday marked the end of the original President's Reemployment Agreement, under which more than 3,000,000 employers won the right to display the blue-eagle emblem. But the eagle will continue to fly. Only a small portion of employers originally under the voluntary agreement remain to be covered by mandatory codes. Anyone for whom a code is not in force can take down the eagle and go back to unregulated wages and hours until the code for his industry or trade has been approved.

ALL INVITED UNDER EAGLE

President Roosevelt, confident public opinion will condemn backsliders, has invited all to continue the voluntary agreement until May. From now on, anyone who displays the eagle is promising to abide either by his code or by the voluntary pact. Compliance work against "chiselers" will go right on.

The review of work done so far by N.R.A. recorded case after case in which leaders of major industries publicly testified to success of the experiment, and if totaled up an imposing list of business reforms achieved, ranging from the ban on child labor and the sweatshop to universal acceptance of new standards in truthful advertising.

This general claim was made: "The latest accurate reports show some 4,000,000 workers have been restored to gainful employment. The basic pay of nearly five times that number in factories, stores, and mines has been raised. Coupled with drastic reductions in maximum work hours, this has brought about great improvement in working and living conditions."

FUTURE HELD BRIGHT

The future was looked upon by recovery officials with a strong show of confidence. The review did not go into the troubles ahead. Despite the achievements, grave difficulties have appeared. The following list records some of those acknowledged by the N.R.A. leaders:

The industrial law's guarantee that workers may unionize freely and without interference has been flouted by a growing list of leading industrialists, and not one has yet been disciplined. This failure is encouraging still more employers to make light of labor phases.

An increasing number of small employers complain the codes fail to protect them from powerful competitors.

Obedience to code terms is admittedly lacking in thousands of cases, discipline is slow, and final success is not yet assured.

SHORTER HOURS IN PROSPECT

The reduction of work hours ordered by the codes, while in most instances all that industries can now stand, cannot give sufficient reemployment for the long pull, and still shorter hours must be obtained.

A number of the codes are officially considered "bad" and will have to be revised.

Congress will have much to say about these points and more, and the administration, which was not ready a few weeks ago to offer remedial legislation of its own, has definitely committed itself now to sponsor modifications of the Industrial Act to compromise with the strongest objectors.

Both Hugh S. Johnson and his responsible aids freely admit defects and have constantly reiterated they are experimenting.

[From the Washington News, Dec. 21, 1933]

N.R.A. AND ROOSEVELT PRAISED BY HEAD OF MANUFACTURING BODY—ROBERT L. LUND TELLS NATIONAL ASSOCIATION OF MANUFACTURERS INDUSTRY IS VINDICATED

PHILADELPHIA.—The president of the National Association of Manufacturers analyzed the President's N.R.A. program here today and found it good.

Robert L. Lund, a member of the N.R.A. Industrial Advisory Board and head of one of the most powerful business organizations in the country, approved every act of the administration in its attempt to end the depression. * * *

"In framing the National Industrial Recovery Act the National Administration and Congress have vindicated the policies and philosophy of American industry", Lund said in an address before the Philadelphia Chamber of Commerce.

"The philosophy of the act is to release business and industry from the shackles of the antitrust laws, which for 50 years have made it impossible for business management to set its house in order", he said.

Lund pointed to higher prices in agriculture and industry, to increased employment, and higher wages as being attributable to Mr. Roosevelt's program. These developments compare more than favorably with statistics of other nations, he said.

[From the New York Herald Tribune, Dec. 23, 1933]

ROOSEVELT MAIL 10 TIMES ANY PREDECESSOR'S—25,000 CHRISTMAS LETTERS AND BUNDLES DESCEND ON WHITE HOUSE IN NEW RECORD

WASHINGTON, December 22.—The White House tonight was all but buried under an avalanche of Christmas mail and presents, the gifts of a Nation passing its first yuletide under the new deal. More than 25,000 letters and bundles descended today on the historic mansion, a volume 10 times greater than that enjoyed by even the most popular of previous administrations.

To friends of the Roosevelts this recognition was looked upon as an amazing example of Mr. Roosevelt's grip upon the popular imagination and proof that the country is with him solidly after nearly a year of drastic measures calculated to lift the depression.

* * * * * * *

[From the Washington Herald, Jan. 1, 1934]

GOVERNORS OF STATES FROM COAST TO COAST REPORT DECIDED UPTURN—INDIANA VIEWS 1933 ACTIVITY AS BENEFICIAL—HARMONY IN RESTORATION OF SOCIAL AND ECONOMIC ORDER COMMENDED BY GOVERNOR MCNUTT

(By Gov. Paul V. McNutt)

INDIANAPOLIS, IND., December 31.—The new year 1934 ushers in an epoch of regained equilibrium for the American people, as we view it with confidence from Indiana.

Federal and State Governments of our Republic never before have worked in such perfected harmony for relief of human distress and for the restoration of social and economic order. A new sun floods the horizon. Continuous unity of achievement will bring the full warm sunshine of 1934.

WORST IN MARCH

Greatest distress obtained in Indiana in March of 1933 when it was estimated that 104,000 families were driven to seek public relief. When Federal works programs entered the State, the list had receded to 80,000 families. Now the total does not exceed 50,000 families, our relief agencies report. The total of employable persons out of work when the year 1933 began was approximately 400,000 in Indiana.

Indiana's commission on unemployment relief now estimates that at least 100,000 persons have been returned to occupation in the industries; Indiana's council on N.R.A. estimates an additional 40,000 has gone back to work at jobs created by new codes of employment; on Federal civil works and public works administration jobs, including additional highway construction projects, 110,000 more have been given employment. It is estimated that at least 250,000 of those 400,000 unemployed in Indiana at the beginning of 1933 have now found gainful occupation.

The winter pay roll for the reemployed working on State and Federal projects exceeds $17,000,000. N.R.A. has added $38,000,000 a year to purchasing power of wage and salary earners.

WORKERS CALLED BACK

In our great Calumet steel center the mills have called 6,000 back to work. Eight new breweries employ another 1,000, and plans are on foot for development of 13 other such plants.

Business indices show Indiana building activity, automobile production, electricity production, department-store sales well improved in the 12 months.

Bank debits, gasoline sales, and life-insurance sales have gained and receded, but show net improvements over last January.

ILLINOIS PAY ROLLS INCREASE $7,000,000 OVER LAST YEAR

(By Gov. Henry Horner, of Illinois)

SPRINGFIELD, ILL., December 31.—Illinois has experienced a marked improvement in general business conditions since January 1, 1933.

Employment from January 1 to October 1, when the last accurate figures are available, increased 25.9 percent, while pay rolls increased 32.6 percent.

Information indicates approximately 600,000 persons have obtained employment since January 1. A majority of these persons, up to the first of 1933, had been receiving assistance from the Illinois Emergency Relief Commission, through its cooperating agencies. The number of employed being put to work is being increased daily by the efforts of the C.W.A.

State department of labor estimates are that pay rolls in the State now are $7,000,000 a week greater than in last January.

The relief situation was the least serious for months in September. The number of resident families receiving aid was only 210,239 as compared with 322,000 at the March peak. The relief load rose slightly in October and figures probably will show that it rose again in November.

A suggestion for coping with such emergencies in the future is this:

The several States, cooperating with the Federal Government, should give consideration to the extension of the public-works construction program to care for peak periods of unemployment in the future.

MICHIGAN LISTS PAY-ROLL GAINS

(By Gov. Wm. A. Comstock, of Michigan)

LANSING, MICH., December 31.—There were 93,992 more jobs in Michigan factories in October 1933 than in January 1933.

The approximate weekly pay rolls in Michigan manufacturing industries for the month of October 1933 were $10,331,410, December 1932 the pay rolls were $7,637,530. Thus, there was a gain in the pay rolls of $2,693,580, or 35.2 percent.

Statistics collected and compiled by the Michigan Department of Labor and Industry are limited to the survey of employment in manufacturing industries. Nonmanufacturing industries and the wholesale and retail trade are not covered by this survey.

In view of the increased employment and the pay-roll gain, one would draw the conclusion that economic conditions in this State had improved considerably since January 1.

UPTURN FELT IN MISSOURI

(By Gov. Guy B. Park, of Missouri)

JEFFERSON CITY, MO., December 31.—Economic conditions in Missouri have improved since the beginning of 1933.

Approximately 20,000 of the State's unemployed have returned to work during the past 12 months. No statistics are available to disclose the extent of the pay-roll increases.

Relief agencies have been established in every county, and in connection with the Civil Works Administration, are doing everything possible to supply relief and work.

Economic conditions may cause a habitual mental state. Realization of this would be a big factor in improving matters.

PAY ROLL GAIN IN BAY STATE CITED BY ELY—ECONOMIC CONDITION OF MASSACHUSETTS SHOWS CONSIDERABLE IMPROVEMENT IN YEAR

(By Gov. Joseph B. Ely, of Massachusetts)

BOSTON, MASS., December 31.—The economic condition in Massachusetts has improved to quite an extent since January 1 last.

This is evidenced by an increase in employment in manufacturing in November as compared with January of approximately 25 percent and an accompanying increase in the amount paid in wages of approximately 40 percent.

EMPLOYED INCREASE

In the wholesale and retail trade the number employed increased approximately 12 percent and pay-roll payments 9 percent.

For all classes of employment combined there has been a general increase in employment of about 15 percent and an increase in pay rolls of about 18 percent.

The department of labor and industries estimated that the number of unemployed in Massachusetts as of January 1 was approximately 521,000, and of this number approximately 105,000 are now employed in private industry, reducing the estimate to 416,000 as of November 15. The number securing employment through governmental projects is not exactly known, but they should be deducted from the 416,000.

Massachusetts cities and towns and the State government have until this year shouldered the entire burden of the welfare expenditures, which have risen from above $9,000,000 in 1929 to $40,000,000 this year.

RELIEF INCREASED

The number of persons assisted has increased from 150,000 in 1929 to over 500,000 in 1933. This year the State is to receive in the vicinity of $10,000,000 from Federal relief.

From April 1 until September 1 welfare lists dropped from 40 to 50 percent in most of the industrial cities and towns, and the average decrease for the entire State was approximately 40 percent. Since September there has been a considerable increase in relief.

In Massachusetts we are doing everything in our power to further the policy of the President and we are succeeding far beyond our expectations.

SWIFT CO. SALES EXCEED $500,000,000

CHICAGO, December 30.—With an increase in tonnage of about 6 percent, Swift & Co. showed annual sales amounting to a little over $500,000,000, according to the annual statement of the company released today.

In his report to shareholders, G. F. Swift, president of Swift & Co., said:

"Some of our products made profits due to rising inventory prices. Properly speaking, such profits are capital gains, rather than merchandising profits, and should be preserved to offset future inventory losses. We have therefore set up a reserve of $4,267,000 on our balance sheet against possible future losses due to declining inventory prices."

Mr. Swift's report discloses that there was an increase of 435,000,000 pounds of meat production during the year and that there was an increase of 343,000,000 pounds during the last 3 months of the year. As a result of this tremendous increase in the meat supply during August, September, and October and the low purchasing power of the Nation, wholesale and retail meat prices closed the year at low levels.

[From the New York Herald Tribune, Nov. 1933]

HERE'S LOOKING AT NEW DEAL

To the New York Herald Tribune:

I get sick of hearing and reading perpetual destructive criticism of the administration, of Roosevelt, and of his men.

Business is getting worse; the N.R.A. is killing business; Johnson is running wild; dead cats; Roosevelt is advised by long-haired professors; we should never have gone off the gold standard. God knows where the dollar will go now. Flight of capital. From downtown: "We are doing a very active business. We are shipping wealth abroad." Socialism: "We elected a Democrat and now we've got a socialist." What has become of the Constitution? The stock exchange will be legislated out of existence.

We are afflicted daily with this sort of rot, even occasionally from the revised pages of this sincere—if every once in a while a trifle misguided—newspaper.

All right. Business is getting worse. Business, according to the Herald Tribune index, went up from 43 to 76 and is back at 59. (Other index compilations show less recession.) In other words, it is up 16 points since April. Did anybody in their senses expect business to keep going up at the rate of 10 points a month in the index as it started out? Is Roosevelt supposed to be a magician? He is apparently expected to give us back prosperity all of a sudden without even turning the corner that Hoover spent three and a half years trying to find.

The N.R.A. is killing business. Certainly it has slowed it up. But was anyone naive enough to think that companies could employ more men and pay them higher wages without reducing profits somewhat? You can't spend the same money twice. The N.R.A. has given employment to 4,000,000 men in 4 months; call that nothing? It has done away with a multitude of abuses in industry. And profits are not over at that.

So "Johnson is running wild." The wonder in my mind is that he is not wilder. Anyone who has had to contend with the 15,000 divergent interests he has had to, from captive mines to hot oil, is entitled to be crazy. I think he has done a mighty good job myself. Talk about Owen Young getting the French to agree about money. That was duck soup compared to Johnson's job. So, I say, give him a big hand and not a dead cat.

So Roosevelt is advised by long-haired professors? And whose advice should he take? Al Wiggins', I suppose? Or, perhaps, Clarence Dillon's? Why should he not be advised by professors? Warren has a very definite theory on the relationship of commodity prices to gold. The details, if you care to read them, are in his book, Prices. The theory is not proved yet. But you've got to admit prices are up since we went off the gold basis. Give his ideas a chance. They are likely to do as much good as mouthings about "rugged individualism."

Now for "where the dollar is going." Personally I live and work in this country and expect to continue so. So I don't care the faintest iota where the dollar goes or how many grains of gold there are in it, so long as I have a chance to earn a living and the dollars I earn will buy what I want. As I see it, that is Roosevelt's idea for the whole country.

The flight of capital. Rats leaving the ship—that is not sinking. The worst flight of capital was when we lent all that money to the foreigners. This is easier to deal with; there will be an embargo if it gets too bad.

Socialism. Call it anything you want, but men have got to be put to work. You cannot walk a block in any city without some fellow hitting you up for a dime. That is not right. The condition of which that is the symptom must be remedied, let the chips fall where they may. Roosevelt realizes that. Socialism. My family have owned property in and around this city for five generations. That tends to conservatism. But for the Government to provide food and shelter and work for those without it; if that is socialism, I am for it.

As for the Constitution, if these efforts to give people work, to make business fair, to raise prices to the debt level, violate the Constitution, it's just too bad. There are 21 amendments to the Constitution already. Times change. The Constitution was never expected to last forever in its original form.

One last thing. The stock exchange. That hits pretty close to home. I work down there and have for many years. But even I admit that it is not best for the country to let the stock exchange run wild. Brokers as a class know less about the wares they deal in than a drug clerk does about what is in patent medicines. There should be some regulation. But don't forget that the stock exchange is a kind of psychological safety valve; and don't forget that the stock exchange was at times the only means of raising liquid capital during the depression. Roosevelt knows that.

Roosevelt is no Bolshevik, and no more am I. So here's looking at him in honest liquor on December 5.

CITIZEN.

NEW YORK, *November 11, 1933.*

[From the New York Herald Tribune, Dec. 8, 1933]

"HELP ROOSEVELT PULL U.S. OUT", FORD APPEALS—"1934 TO BE GOOD YEAR FOR EVERYBODY WHO WORKS", HE TELLS 46,000 DEALERS—NEW MODELS OUT TODAY—EDSEL FORD SECONDS PREDICTION OF UPTURN SOON

(By Bert Pierce)

DETROIT, December 7.—"We have got to pitch in and help the President pull the country out of a hole", said Henry Ford in speaking to a nation-wide audience of dealers today. He talked over a long-distance telephone circuit from the Dearborn office. More than 9,000 dealers, 17,000 salesmen, and 20,000 other members of dealer organizations listened to the address. The Canadian territory was included.

Mr. Ford's address follows:

"Hello, everybody.

"You know I don't make speeches; I make cars.

"You are getting a good start on next year with a good car and a good outlook for business. I think 1934 will be a very good year for everybody that works. That is one thing the depression has taught us; the only thing that can pull this country through is work. There is plenty of work to do. We have all got to pitch in and do all the business we can to help the President pull the country out of the hole.

"So I wish every Ford salesman and dealer and manager a busy and prosperous year. Thank you."

* * * * * * *

[From the Washington Star, Dec. 8, 1933]

FORD ASKS DEALERS TO BACK PRESIDENT—MOTOR MAGNATE SAYS EACH MUST DO UTMOST TO SPEED RECOVERY

DETROIT, December 8.—In his first public utterance since the Fall of 1932, when he spoke in behalf of former President Herbert Hoover, Henry Ford yesterday asked Ford Motor Co. dealers "to pitch in and do all the business we can to help the President pull the country out of the hole."

"I think 1934 will be a very good year for everybody that works," Mr. Ford said in a brief address over an international telephone hook-up from his Dearborn offices. "That is one thing the depression has taught us; the only thing that can pull this country through is work. There is plenty of work to do. We have all got to pitch in and do all the business we can to help the President pull the country out of the hole."

These words, coming from the outstanding non-signatory to the N.R.A. automotive code, the man who last summer told newspaper men that "I have nothing to say about the N.R.A. or anything else," were studied with interest,

Those who heard Mr. Ford's talk yesterday recalled that N.R.A. Administrator Hugh S. Johnson said at Atlanta, Ga., several weeks ago that he was satisfied the Ford Co. was living up to the requirements of the code.

Ford Co. officials have asserted that the concern is complying with the automotive code up to the point of actually signing the agreement and that the company would have to "live down to the code, not up to it."

[From the Washington Post, Dec. 25, 1933]

MR. MAGRUDER DOESN'T LIKE PEOPLE WHO CRITICIZE

To the EDITOR OF THE POST—SIR: Some men seem to have arrived on this mundane sphere ahead of their time both politically and scientifically. For instance, when Galileo first announced the theory that the world was round instead of being flat he was severely criticized, persecuted, and made to recant under penalty of death. And, so today, when President Roosevelt launches out on a course which is diametrically opposed to the so-called policy of "rugged individualism", every man for himself and his satanic majesty take the hindmost, he is roundly abused and severely criticized by those who believe in the do-nothing policy of watchful waiting.

President Roosevelt believes that it is the duty of the Government and the several States "to help men help themselves", and not let them starve in a land of plenty, and we sincerely believe that the great majority of the people of the United States, regardless of party, creed, or previous condition, are with the President in his efforts to bring the country out of the slough of despair and despondency into which it has been put by the do-nothing policy of the Republican Party, which has been in continuous control of the Government for the past 12 years, up to 1933, during which time the aforesaid party has "damned, ditched, and drained the country."

Now, some of the members of said party, and a few discredited and disgruntled Democrats, none of whom come forward with any better plan to help save the country from this awful depression, are throwing mud at and trying to discredit the actions and efforts of the head of this Nation—a man who has been working night and day to bring order out of chaos, to help feed the hungry, clothe the naked and destitute.

Their actions, under the circumstances, are little short of treason. When we read some of the mud-slinging effusions of former leading Democrats, we are forced to the conclusion that Judas Iscariot had nothing on them.

S. MAGRUDER.

[From the New York Herald Tribune, Jan. 7, 1934]

NEW YORK EXCHANGE STOCKS' VALUES UP 550 MILLION—TOTAL PUT AT $33,094,751,244 ON JANUARY 1; AVERAGE PRICE RISES TO $25.59

The total market value of the 1,209 stock issues on the New York Stock Exchange, as of January 1, had a total market value of $33,094,751,244, in comparison with a market value of $32,542,456,452 for the 1,211 issues listed as of December 1, 1933, according to an announcement from the exchange yesterday.

The average price of all listed stock increased to $25.59 from the $25.13 figure of December 1.

The ratio of security loans to market value, as of January 1, was 2.55 percent. This contrasts with 2.43 percent on December 1. Stock Exchange member borrowings on security collateral amounted to $845,132,524, as of the beginning of the month.

The Stock Exchange table, which follows, shows the listed stocks classified by industrial groups, with aggregate market value and average price for each:

Stocks	Market value	Average price
Autos and accessories	$2,497,815,580	$23.65
Financial	823,432,138	14.77
Chemicals	3,615,566,312	50.50
Building	278,426,859	17.84
Electrical equipment manufacturers	796,225,838	19.48
Foods	2,243,550,784	30.30
Rubber and tires	269,185,506	26.61
Farm machinery	400,233,291	32.51
Amusements	134,321,857	9.71
Land and realty	38,320,586	7.71
Machinery and metals	1,021,043,599	21.28
Mining (excluding iron)	1,135,844,899	20.70
Petroleum	3,940,079,727	21.52
Paper and publishing	171,638,727	10.21
Retail merchandizing	1,617,241,273	26.64
Railways and equipments	3,704,770,998	32.16
Steel, iron, and coke	1,450,707,794	36.86
Textiles	210,308,873	18.76
Gas and electric (operating)	1,677,802,845	24.17
Gas and electric (holdings)	982,840,141	10.20
Communications (cable, telegraph and radio)	2,488,543,499	66.19
Miscellaneous utilities	150,315,179	14.81
Aviation	187,088,508	9.58
Business and office equipment	256,183,258	24.10
Shipping services	9,097,385	4.35
Ship operation and building	27,024,903	8.01
Miscellaneous business	71,342,174	13.68
Leather and boots	227,508,087	33.02
Tobacco	1,317,665,704	50.83
Garments	15,799,801	12.15
United States companies operating abroad	627,690,796	18.66
Foreign companies (including Cuba and Canada)	707,129,233	18.99
All listed stocks	33,094,751,244	25.59

In comparison with a month ago, 12 of the 32 divisions showed decreases in the average price.

ANTHRACITE OUTPUT NEAR RECORD

HAZLETON, PA., January 6.—Production of anthracite at the collieries of the Lehigh field is nearing war-time records, according to figures of the Lehigh Valley Railroad today. Ship-

ments on Wednesday, consisting of more than 27,000 tons, were the best since 1927. Yesterday 30,881 tons went to market, which is close to the mark in 1918, when the average daily output was about 34,000 tons. The mines here have been making good time since November 5.

Mr. ROBINSON of Arkansas. Mr. President, in connection with my remarks I ask leave to insert a statement, believed to be correct, showing the public debts of a number of foreign countries in comparison with the public debt of the United States.

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

United Kingdom: Total public debt, as of September 30, 1933, £8,111,000,000; converted at par of exchange, $39,472,000,000; converted at prevailing rate of exchange, $38,401,000,000 (1 pound=$4.74464).

France: Total public debt, as of August 1933, francs, 502,000,000,000; converted at par of exchange, $19,678,000,000; converted at prevailing rate of exchange, $26,455,000,000 (1 franc=$0.0527).

Belgium: Total public debt as of Setpember 30, 1933, francs, 57,349,000,000; converted at par of exchange, $1,594,000,000; converted at prevailing rate of exchange, $2,437,000,000 (1 franc=$0.425).

Germany: Total public debt as of September 30, 1933, Reichsmark, 13,211,100,000; converted at par of exchange, $3,147,000,000; converted at prevailing rate of exchange, $4,802,000,000 (1 Reichsmark=$0.363457).

Italy: Total public debt as of August 31, 1933, lire, 99,468,000,000; converted at par of exchange, $5,232,000,000; converted at prevailing rate of exchange, $7,957,000,000 (1 lira=$0.08).

Japan: Total public debt, as of November 30, 1933, yen, 7,809,100,000; converted at par of exchange, $3,893,000,000; converted at prevailing rate of exchange, $2,395,000,000 (1 yen=$0.30675).

Mr. LONG obtained the floor.

Mr. ROBINSON of Indiana. Will the Senator from Louisiana yield to me for a moment?

The PRESIDING OFFICER (Mr. POPE in the chair). Does the Senator from Louisiana yield to the Senator from Indiana?

Mr. LONG. I yield.

Mr. ROBINSON of Indiana. I want to ask the Senator from Louisiana to yield to me long enough to read one paragraph into the RECORD from the Washington Post of Wednesday, December 13. The paragraph is as follows:

Walter Reed Hospital, famous for its treatment of World War veterans, now is caring for 350 Civilian Conservation Corps men and only 4 veterans of the war. These four are in the hospital because they are too ill to be removed.

In other words, if I may say a word further in the time of the Senator from Louisiana, they have driven the old soldiers from their beds in the hospitals, erected by the people for the use of the soldiers and for their comfort and welfare, and given them to these young, able-bodied men of the age of 25 and thereabouts. I thank the Senator from Louisiana.

EVERY MAN A KING

Mr. LONG. Mr. President, I want to strike a note of harmony in the Senate. I agree with both the Senators, the one from Indiana [Mr. ROBINSON] and the one from Arkansas [Mr. ROBINSON]. Neither of the Senators, however, has studied his own remarks to find just how much in agreement they are. There is no difference between the Senator from Indiana and the Senator from Arkansas and myself, so far as their remarks go.

The Senator from Indiana is one of the few men who could make in good faith the speech he has made. The Senator from Indiana voted, I take it, for the public-works appropriation; he voted for the various and sundry measures that authorized the C.W.A.; but the Senator from Indiana also voted for an amendment which I proposed in the Senate which would have raised sufficient money to have prosecuted this work without piling up any deficit and without doing any harm to the people of the United States, particularly the common people.

The Senator from Arkansas [Mr. ROBINSON] is right so far as he has gone. He voted for the public works part of the program; he voted for some of the other bills; I presume for all of them; but the trouble with the Senator from Arkansas is that he has not yet gone the distance in voting for a program that will pay for the work that is being done.

There is not any way on earth that this money, this $10,000,000,000, can be paid except by taxation, and if the Democratic Party or the Republican Party allow this work to go on with any idea in mind that they are going to saddle the cost of it on the backs of the common taxpayer of this country, the kind of men and women who have been paying the taxes all the time, considering the amount of taxes that it will be necessary to levy in order to retire these bonds, it will be a travesty and a crime against humanity, and, compared to the suffering which will be caused, that which has been endured during the last 4 years will not hold a candle. If there is any idea that the bonds providing the enormous, overwhelming expenditures, billions upon billions of dollars, disbursed with the idea in mind that they are to relieve the suffering of the man who has not got anything, must be retired and discharged by taxation along the lines of present taxation, then, the day of suffering is only beginning to assert its blight in the country, because you will have to take it out of the blood and the marrow and the bone of the common people of this country as the taxes have been taken up until this time.

The Senator from Indiana [Mr. ROBINSON] and myself, the Senator from Nebraska [Mr. NORRIS], the Senator from West Virginia [Mr. NEELY], the Senator from Montana [Mr. WHEELER]—I could call the roll on down for some twenty—voted for a bill here, Mr. President, which I had the honor to introduce, and which I have reintroduced, which would pay for this work as it is going on and not allow future generations to be mortgaged and unborn children to be pledged for the payment of this enormous issue of bonds and the cost of interest necessary to do this work.

Some of this work is useful, some of it is not useful; some of it is building the country, some of it is not building the country; some of it is helping humanity and some of it is not helping humanity; some of it is building humanity and some of it is destroying humanity. I am glad to say that, in my opinion, only a relatively small proportion is affected by what I would call the detriment of humanity. But, Mr. President, the worst thing that ever happened on earth is for the United States to have allowed a condition to creep upon the people under which they finally reached a point where we had to dole money to them. The worst thing that ever happened was when we did feed the people we had to go with money out of the crib, like going out into the woods and scattering corn to the hogs on the range, calling them up from here, there, and yonder, throwing them out a handful of corn, and after you throw them out corn every third or fourth day you cannot get a hog to go out and look for mast for itself, much less get into a ditch and look for a crawfish.

We have had to resort—and I am sorry to say that I voted for it, and I am not criticizing anybody for it, for I know of nothing else under the kind of program we have enacted that could be done, and I accept my part of the responsibility—but we have a system which we are trying to establish to feed the American people by which we are letting them sweep leaves from one side of a park to the other side of a park, and I am told, even to sweeping some of the sand of the desert in some instances, all of which we have found to be necessary in order to go through the motion of giving the people some kind of work to do, because it is better to do that than allow the human race to starve and perish for the necessities of life.

We have had a tree-planting bill. I called it the "sapling" bill. That term is better understood over the United States. None the less, I am willing to concede that something must be done to spread the money out into the hands of the people of the country, because anything that is done along that line is better than allowing the people in idleness to starve to death.

But how are we going to raise this money? Are we going to perpetuate these people on the roll of doles and doles and doles? Are we going to continue to load the pay rolls of the Government of the United States with dollar-a-day men and $12-a-week men until the pay rolls are so high we cannot see the sun because of them?

Instead of restoring men to the channels of life where they sell their labor in the market where their labor is protected and their hours of labor fixed by laws under such conditions as will prevent the feudal system coming to America, instead of having a system established by which any man can get a job and work reasonable hours, are we going to continue this process, and if so, how long, by which men are paid for doing nothing and even are quitting jobs where there is work to do to get on the dole pay roll where there is no work to do? I was one of those who voted for it and I have said that I approve of it. I have seen examples in my own home where men would quit work at the cotton warehouses where they had been employed gainfully, giving up those jobs to get on the Government relief pay roll. Bad as it may be, I have voted for it, seeing it would come, and would vote for it again, bad as it is, before I would see the same number of people unemployed and starving.

But where is the money coming from to keep up the system? What man has proposed a remedy except that which was proposed in the bill which I introduced in the last session of Congress? Are we going to continue to pile up the deficit and take no thought of where the money is coming from? It is perhaps a liberal administration and I am one of its members, but are we proposing to pay out 10 billions of dollars and increase the national debt from $26,000,000,000 up to $36,000,000,000, and then expect to pay not only the debt that was already stifling the common men of this country, but the $10,000,000,000 more that was given for their relief, and expect to take it out of the bone and out of the hide and out of the blood of the common people of the United States? If not, why do we not have something done, either taking up the bill which I have introduced or a bill coming from some other responsible source, showing to the American people and to the Congress of the United States where this money is coming from to pay for this reconstruction work.

Mr. President, if we will take the money from the source from which it should be taken, we will not have to continue this dole system, but if we continue to allow the money to be owned by comparatively few men and if we continue to allow a few men to own more than all the balance of the people in the United States put together, we can dole and dole and plant saplings and do everything we want to from now until Christ comes back to earth, and the condition will be worse at the time we get through than it is now.

You are not permanently correcting this situation. You are permanently aggravating this situation. You are making the amount of money the common man has to pay heavier than it was when you started. He has $36,000,000,000 that he has to pay, and the interest on $36,000,000,000, and the cost of running the Government that is loaded down with that debt, and not one single finger has been raised in this body since I have been here, under the old administration or under the new administration, to take one dime of the cost of resuscitating the human race off the back of the common man himself.

President Roosevelt has spoken about this matter lately. It got into only two newspapers. I sent over to the White House for a copy of the speech and they said it was not to be had there. No doubt the few copies they had had already been called for. The President made a speech on October 21 last and it was sent out over the Associated Press wires. I have it here. It was not printed in more than two newspapers in the United States, the Chicago Daily News and the American Progress.

Mr. LEWIS. Mr. President, may I ask the Senator from Louisiana what is the American Progress?

Mr. LONG. It is a patriotic journal that sprung up from necessity to free the human race in America. [Laughter in the galleries.]

Mr. LEWIS. Mr. President, I ask that the occupants of the galleries be informed that it is against the rules of the Senate to make any demonstration.

The PRESIDING OFFICER. Occupants of the galleries will refrain from any demonstrations of approval or disapproval, which are forbidden by the rules of the Senate.

Mr. LEWIS. I would like to ask the Senator, he having defined to me the paper to which he alluded, if he will inform us who is the owner, publisher, and editor of that paper.

Mr. LONG. The Senator from Illinois himself is one of the subscribers, although he has not paid his subscription yet. [Laughter in the galleries.]

The PRESIDING OFFICER. Occupants of the galleries must preserve order or the galleries will be cleared.

Mr. LEWIS. I must answer my able friend from Louisiana that as I know nothing of the paper I would gladly read it, and if I have been receiving it and not paying for it, it would indicate my estimate of its value. [Laughter.] I am anxious to know who is back of the paper.

Mr. LONG. The Senator from Illinois paid a dollar for my dinner one night, and we are sending him a subscription for 2 years to make up for it.

Mr. LEWIS. I thank the Senator for his generosity.

Mr. LONG. I am one of the helpers and publishers. I am not a stockholder in the paper. I sold all the stock that was sold with a full realization that it would never bring any returns on the investment.

I have, however, an Associated Press dispatch of President Roosevelt's remarks on October 21, and I read from his remarks:

> In wealth and education there is represented only a minority of the people. As I recall the words of a professor in my school—

This is President Roosevelt speaking—

> As I recall the words of a professor in my school, the wider a distribution of wealth there is in the proper way, the more we can make it possible for the men and women of the land to have the necessities of life in such shape that they will not have to lie awake at night worrying where the food for tomorrow will come from. Then—

Said the President of the United States—

> Then, and only then, will we have the security necessary for the country.

That is the speech of the President of the United States that was not printed in the public press except by accident, although it went out over the Associated Press wire. I shall send this to the desk in order that the full article may be printed after I shall have read just another paragraph or two.

Then said the President:

> Only when the wealth of the country is distributed amongst the people so that the few will not own more than the masses will the country have such a thing as national security.

Those are the words of the President of the United States on October 21, 1933, in the last year of our Lord, 2 months before this Congress assembled. The President of the United States said that only could there be national security through a distribution of the wealth of this country into the hands of the masses.

If we are going along—and I propose to go along—increasing the Government debt to where we do not think about a million dollars any more nor a hundred million dollars, but where we estimate our expenditures and our national debt in the billions and tens of billions—if we are going along in that way, there is no reason on earth and not only is there no reason on earth, but on the contrary there is every requirement and necessity that the United States Senate and the House of Representatives shall prescribe the method of paying this deficit as we go along.

There is a way to pay it, Mr. President. There is a way to pay it without hurting anybody, and there is a way to pay it by correcting this very damnable condition that brought on the depression and keeps it on today. There is only one thing on God's topside face of earth that keeps this condition of depression on in this country today, and that is because, as is shown by the bank deposits alone, one tenth of 1 percent of the bank depositors have more money in the national banks than all the other 99 9/10 percent of the bank depositors put together, to say nothing of the fact

that millions and millions of the people have not any bank accounts at all.

There is not any way to correct the condition except through scattering the fruits and the wealth of the land, and yet we continue to pile up and to pile up and to pile up the debt. I agree with the Senator from Arkansas; we ought to authorize the work that has been done, however faulty some of it may be, as the Senator so nobly admits and as I admit. We ought to continue to authorize everything necessary to feed the hungry and to clothe the naked. We are not feeding them all. We are not clothing them all. Where there is one man on the dole roll today there are two men trying to get on the dole roll today; and we are going to be faced with the proposition not of just continuing this dole roll until springtime comes but of continuing the dole when spring is here, and when summer is here, and when the fall comes.

I call that a dole roll, Mr. President, for $12 a week is not anything. Fifty dollars a month is nothing. That is not house rent, in normal times, for half the people of this country. Fifty dollars a month will not pay for the light and the water and the house rent, let alone the food and the clothes that people ought to have in anything like a respectable home. But if we are going to continue the dole roll, we are going to have to take care of all the rest of the people who are trying to get on the dole roll. We are not keeping it entirely complete by a whole lot in my country, because many and many of my friends are trying to get on the dole roll who cannot get on it today.

I am not saying that they are kept off because they are my friends; but that fact did not help them get on the dole roll. [Laughter.] I am not condemning that. If somebody else will feed the anti-Long men, I will help feed the Long men down there as long as I can. I am not condemning that. That helps us all; but I happen to know from bitter experiences that thousands and thousands and thousands of men are trying to get on the dole roll today, and it is not fair for one set of politicians—and I use the word advisedly—to get their friends on the dole roll and not permit somebody else to get theirs on it. We cannot keep the dole roll going by keeping part of them on and keeping part of them off. We are going to have to open up the dole roll and put all the rest of them on, and then, finally, be weighted down to the proposition that the bonds must increase, as the President says they must increase, and the debt must increase, and you call that a distribution of wealth! You call that a transfusion of wealth! You call that a diffusion of wealth!

You cannot take one sick man who is dying and take blood out of his veins and transfuse it into the veins of another man who is dying and make the other man well. You cannot take from the weak and give strength to the weak. You cannot take from the impoverished to give food to the starving. You cannot take from the naked to give clothes to the naked. But if you continue to pile up this debt and pile up this debt and pile up this debt, and not in its incipiency or at some reasonable stage of this matter provide a way to pay it, how, then, is it going to be paid except by the taxes loaded and carried right on down to the man standing on the bottom, where the taxes of this country are today?

My resolution proposes that a man can have but $50,000,000; that he can inherit but $5,000,000; that he can earn but $1,000,000 per year—all over those amounts to be paid to the United States. It would hurt no one. It would give everybody that has a fortune more than he can ever use for his living or for the living of his children. And it would give the United States $15,000,000,000 per year to do everything the Government is doing or needs to do. It proposes:

Every man a king.

Mr. President, I wonder if my friend from Illinois [Mr. LEWIS] has read the American Progress. If he has not read it I do not suppose he needs to read it, because he is one of the few men in the Senate who have read everything the American Progress could print anyway that is fit to read. But here is something from the old Greek philosopher, Plato, cited as the wisest of all the world's philosophers. I read a few lines from Plato.

Said Plato:

In a state which is desirous of being saved from the greatest of all plagues—not faction, but distraction—there should exist among the citizens neither extreme poverty nor, again, excessive wealth, for both are productive of both these evils.

In other words, excessive wealth produces excessive poverty, and excessive poverty produces excessive wealth. Both are productive of these evils.

Now the legislator should determine what is to be the limit of poverty or wealth. Let the limit of poverty be the value of the lot. This ought to be preserved and no ruler, nor anyone else who aspires after a reputation for virtue, will allow the lot to be impaired in any case. This the legislator gives as measure, and he will permit a man to acquire double or triple, or as much as four times the amount of this. But if a person have yet greater riches, whether he has found them or they have been given him or he has made them in business, or acquired by any stroke of fortune that which is in excess of the measure, if he gives them back to the State, and to the gods who are the patrons of the State, he shall suffer no penalty or loss of reputation. But if he disobeys this, our law, anyone who likes may inform against him and receive half the value of the excess; and the delinquent shall pay a sum equal to the excess out of his own property, and the other half of the excess shall belong to the gods.

So, Mr. President, there is nothing new under the sun.

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

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

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

Mr. LEWIS. I wish to say to the able Senator, while I thank him for his reference to what he has been kind enough to refer to as a compendium of small information I possess, that it may interest him to know that apart from the quotation which he has read, which comes from the Republic of Plato, he will find the same philosophy, almost the same expression, in the Holy Scripture, in the philosophy of Agar, fortifying his viewpoint.

Mr. LONG. Yes; I thank the Senator. It is in the Holy Scripture, as the Senator from Illinois says, practically in the same words, or at least to the same effect. It will be found in the speech of Daniel Webster that he made at Plymouth, practically in the same words. It will be found in the words of Abraham Lincoln. It will be found in the words of Lord Bacon. It will be found in the words of Theodore Roosevelt. It will be found in the words of William Jennings Bryan; and I have already read it to you in the words of Franklin D. Roosevelt.

The time is here. Why sit we here idle, and let this public debt and this burden of government pile up on the little man who is having to pay it? You say, "I am going to relieve you of the load." You are giving him a biscuit to eat, and you put a barrel of flour more taxes on top of his head to carry. How are you relieving anybody here in this country? You come along and you dole out to him 12 little 2-by-4 dollars in a week, and you say, "Now, go along with that; and, oh boy, just to be sure you do go along, I want to tell you that there is 10 billion more in taxes and interest to pay for the next 50 years of your life in order for you to get enough money to pay for your washing for the last week."

Why do we sit here, Mr. President? The first thing I did when I came to the United States Senate, ignorant as I was of the proceedings, unschooled as I was in the manner of legislation, was to introduce in the Senate a resolution to provide that there should be a limit to the amount which a man should own, and that the wealth of this country should be brought back into the Treasury and diffused among the 120 or 130 millions of people by relieving them of taxes, paying it out in public works and other benefits that the Government could very handsomely bestow. That proposal is made in a resolution now lying on the desk that I intend to call up right away, within the next few days, Mr. President. Not only do I propose to relieve the people of the taxes that they are already paying, but I attach to the resolution which now lies on the desk of the Senate a proposal that we shall have an old-age pension in the

United States, in keeping with the Democratic Party's last pronouncement.

In the Chicago convention the Democratic Party went on record for an old-age pension to be paid by the States. The States cannot pay it. The States have not enough money to pay it.

The only way in which the Democratic Party's platform can be carried out is for the United States Government to collect the money from the swollen fortunes and to remit it to the States to be paid out. So, in order to keep the faith of the party, in order to carry out the platform that I helped to adopt as a delegate and as a national committeeman to the Chicago convention, I propose that we shall collect into the Treasury of the United States through limiting the fortunes of the big men, through limiting the inheritances of the rich young men, through limiting the amount that one man can make in a year, a sum that I estimate on good authority at $15,000,000,000 per year; and I propose that we shall take from that sum enough money to give every man who is 60 years old and every woman who is 60 years old $30 a month unless they have a net income that exceeds $1,000 a year or property that is of a value of $10,000. I propose that we carry that out, that we carry out the faith of the party, that we correct this trouble that has brought America to the brink of disaster, that we provide a means of keeping the Treasury solvent, and that we provide a way of bringing down the powerful to a point where they are not so powerful that any man cannot thrive in competition with them. I propose that all these wreckages be brushed away by harming no one, but by making such a thing in America as a limit to the accumulations of one man, as a limit to the fortune of one man, thereby imposing a limit to the starvation and poverty that we will impose upon the masses.

Mr. President, I ask leave to have printed in the RECORD, at the conclusion of my remarks, a brief extract from the speech of President Roosevelt at Chestertown, Md., on October 21, 1933.

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

[From the speech of President Roosevelt]

As I recall the words of a professor in my school, the wider a distribution of wealth there is in the proper way the more we can make it possible for the men and women of the land to have the necessities of life in such shape that they will not have to lie awake at night worrying where the food for tomorrow will come from. Then, and only then, will we have the security necessary for the country.

CALL OF THE ROLL

Mr. THOMAS of Oklahoma. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Couzens	Keyes	Robinson, Ark.
Ashurst	Cutting	King	Robinson, Ind.
Austin	Davis	La Follette	Russell
Bachman	Dickinson	Lewis	Schall
Bailey	Dill	Logan	Sheppard
Bankhead	Duffy	Lonergan	Shipstead
Barbour	Erickson	Long	Smith
Black	Fess	McCarran	Steiwer
Bone	Frazier	McGill	Stephens
Brown	George	McKellar	Thomas, Okla.
Bulkley	Glass	McNary	Thomas, Utah
Bulow	Goldsborough	Murphy	Thompson
Byrd	Gore	Neely	Townsend
Byrnes	Hale	Norris	Trammell
Capper	Harrison	Nye	Tydings
Caraway	Hastings	O'Mahoney	Vandenberg
Carey	Hatch	Overton	Van Nuys
Clark	Hatfield	Patterson	Wagner
Connally	Hayden	Pittman	Walcott
Coolidge	Hebert	Pope	Walsh
Copeland	Johnson	Reed	Wheeler
Costigan	Kean	Reynolds	White

The VICE PRESIDENT. Ninety-one Senators having answered to their names, a quorum is present.

PROHIBITION OF TRANSACTIONS WITH DEFAULTING GOVERNMENTS

Mr. JOHNSON. Mr. President, is it the intention of the Senator from Arkansas that the Senate shall proceed with the calendar this afternoon?

Mr. ROBINSON of Arkansas. It is not.

Mr. JOHNSON. Then, if the Senator will permit me, the first bill upon the calendar, which has been pending for some time, is designed to prevent the sale in this country of securities of countries which are in default. It is a bill which I intend to press at the earliest possible moment. At this time I ask permission to have the bill reprinted, with two very brief amendments in the measure, so that the amendments may be before the Senate when the bill is reached for consideration.

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

TAXATION OF ALCOHOLIC LIQUORS—REPORT

Mr. HARRISON, from the Committee on Finance, to which was referred the bill (H.R. 6131) to raise revenue by taxing certain intoxicating liquors, and for other purposes, reported it with amendments and submitted a report (no. 149) thereon.

EXECUTIVE SESSION

Mr. ROBINSON of Arkansas. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate sundry messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORTS OF COMMITTEES

Mr. KING, from the Committee on the District of Columbia, reported favorably the nominations of George E. Allen and Melvin C. Hazen, both of the District of Columbia, to be Commissioners of the District of Columbia for terms of 3 years each.

He also, from the Committee on Finance, reported favorably the nomination of Margaret M. McQuilkin, of Salt Lake City, Utah, to be collector of customs for Customs Collection District No. 48, with headquarters at Salt Lake City, Utah, in place of Jennie P. Musser, resigned.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of James J. Hoey, of New York, N.Y., to be collector of internal revenue for the second district of New York, in place of William Duggan, resigned.

Mr. WALSH, from the Committee on Finance, reported favorably the following nominations:

Peter M. Gagne, of Somersworth, N.H., to be collector of internal revenue for the district of New Hampshire, in place of John H. Field, resigned.

Clinton A. Clauson, of Maine, to be collector of internal revenue for the district of Maine, in place of Frank J. Ham, resigned;

John H. Dooley, of Portland, Maine, to be collector of customs for Customs Collection District No. 1, with headquarters at Portland, Maine, in place of Frank M. Hume;

Samuel T. Ladd, of Portsmouth, N.H., to be comptroller of customs in Customs Collection District No. 4, with headquarters at Boston, Mass., in place of Dwight Hall, resigned; and

Joseph P. Carney, of Massachusetts, to be collector of internal revenue for the district of Massachusetts, in place of Thomas W. White, resigned. (Serving under temporary commission issued during the recess of the Senate.)

Mr. CLARK, from the Committee on Finance, reported favorably the following nominations:

Dan M. Nee, of Missouri, to be collector of internal revenue for the sixth district of Missouri in place of Dan G. Stewart, resigned; and

Fountain Rothwell, of Missouri, to be collector of customs for customs collection district no. 45, with headquarters at St. Louis, Mo., in place of Louis M. Hall, resigned.

Mr. BYRD, from the Committee on Finance, reported favorably the following nominations:

Marion Glass Banister, of Virginia, to be Assistant Treasurer of the United States in place of George O. Barnes, resigned;

Byrd Leavell, of Virginia, to be Assistant Register of the Treasury in place of Frank A. De Groot;

Nathaniel B. Early, Jr., of Ruckersville, Va., to be collector of internal revenue for the district of Virginia in place of A. Pendleton Strother, resigned; and

I. Walke Truxtun, of Norfolk, Va., to be collector of customs for customs collection district no. 14, with headquarters at Norfolk, Va., in place of Joseph L. Crupper, resigned. (Serving under temporary commission issued during the recess of the Senate.)

Mr. REED, from the Committee on Finance, reported favorably the nomination of Assistant Sanitary Engineer Omar C. Hopkins to be passed assistant sanitary engineer, to rank as such from September 5, 1933, and also the nominations of sundry other officers in the Public Health Service.

Mr. REED (for Mr. COUZENS), from the Committee on Finance, reported favorably the nomination of Eldon P. King, of Ontario, Oreg., to be Special Deputy Commissioner of Internal Revenue in place of Pressly R. Baldridge, resigned.

Mr. McADOO, from the Committee on Finance, reported favorably the nomination of Alfred A. Cohn, of Los Angeles, Calif., to be collector of customs for customs collection district no. 27, with headquarters at Los Angeles, Calif., in place of Howard W. Seager, resigned.

Mr. CONNALLY, from the Committee on Finance, reported favorably the following nominations:

Frank Scofield, of Hillsboro, Tex., to be collector of internal revenue for the first district of Texas, in place of Alexander S. Walker, deceased; and

Adrian Pool, of El Paso, Tex., to be collector of customs for Customs Collection District No. 24, with headquarters at El Paso, Tex., in place of Manuel B. Otero, resigned.

Mr. GEORGE, from the Committee on Finance, reported favorably the nomination of Howell Cone, of Statesboro, Ga., to be collector of customs for Customs Collection District No. 17, with headquarters at Savannah, Ga., in place of Marion O. Dunning, resigned.

Mr. BARKLEY, from the Committee on Finance, reported favorably the nomination of Seldon R. Glenn, of Louisville, Ky., to be collector of internal revenue for the district of Kentucky, in place of Emil S. Helburn, resigned.

The VICE PRESIDENT. The nominations will be placed on the calendar.

THE CALENDAR

The legislative clerk proceeded to read Executive C, a treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-St. Lawrence deep waterway, signed on July 18, 1932.

Mr. ROBINSON of Arkansas. Mr. President, in connection with that treaty, it is expected that the President will send to the Senate on Wednesday a special message, and I ask that the treaty go over pending the message.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the treaty will go over.

Mr. ROBINSON of Arkansas. Mr. President, in all probability the message from the President of the United States, to which I referred, will be sent to the Senate on Wednesday. There may also be expected a message relating to foreign credit administration.

HENRY MORGENTHAU, JR.

The legislative clerk read the nomination of Henry Morgenthau, Jr., to be Secretary of the Treasury.

Mr. ROBINSON of Indiana. Mr. President, I do not propose to launch any special objection to this nomination, except to say that if a yea-and-nay vote were taken on the nomination I should vote against confirmation.

To pay my respects to Mr. Morgenthau I do not think he is fit for the place. I think anybody who would select Earle W. Bailie, utterly notorious in financial circles, to conduct the tremendous fiscal operations of the Government at this time, is unfitted completely for the high office of Secretary of the Treasury. I think there can be no question that the occupant of that office should have the fullest confidence of the people of this country.

I understand that Mr. Bailie has resigned; that it was a condition precedent to Mr. Morgenthau's being confirmed; that the Committee on Finance of the Senate would not permit his confirmation until Bailie had resigned. Yet there is this string to it: He will hold over all through January. So far as I know, and so far as anybody here may know, he is in consultation with Mr. Morgenthau and Mr. Morgenthau with him. It is just an unfortunate situation, and it seems to me someone else should be chosen for the high office of Secretary of the Treasury. I therefore register my objection to the confirmation.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination?

The nomination was confirmed.

CARTER H. HARRISON

Mr. LEWIS. Mr. President, earlier in the day, at the request of the chairman of the Committee on Finance, the senior Senator from Mississippi [Mr. HARRISON], I reported favorably the nomination of Carter H. Harrison, of the city of Chicago, State of Illinois, to be collector of internal revenue for the first district of Illinois.

I ask unanimous consent that the nomination of Mr. Harrison be confirmed at this time, in view of the situation with respect to the office to which he has been nominated.

The VICE PRESIDENT. The clerk informs the Chair that the senior Senator from Washington [Mr. DILL] has objected to the confirmation. Unless that objection is withdrawn, it would necessarily mean that the nomination must go over.

Mr. LEWIS. I thought he objected on the ground that he did not think the nomination should be called up while the Senate was in legislative session. If I am in error, then I prefer to withhold action on the nomination.

Mr. ROBINSON of Arkansas. It is my understanding that the objection made by the Senator from Washington was to the Senate's proceeding to the consideration of the nomination out of order. I concur in the recollection of the Senator from Illinois.

Mr. LEWIS. I so understood him.

Mr. McNARY. Mr. President, I am not clear as to the status of this nomination as yet. Is the Senator asking unanimous consent for confirmation without reference of the nomination to the committee?

The VICE PRESIDENT. The Chair understands that a report on this nomination was made this morning. Under the rules of the Senate it would go over until tomorrow. The Senator from Illinois is asking unanimous consent for the present consideration of the nomination. The Chair is informed by the clerk that on a former occasion the Senator from Washington [Mr. DILL] objected.

Mr. ROBINSON of Arkansas. That objection, Mr. President, was made while the Senate was in legislative session.

The VICE PRESIDENT. That is correct.

Mr. ROBINSON of Arkansas. My understanding of the objection made by the Senator from Washington was that he did not wish to have the Senate dispose of executive nominations while in legislative session, since Senators would be denied the opportunity of objecting.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

Mr. McNARY. Mr. President, it has always been my view that nominations should take the regular course, unless there is a very urgent reason for making an exception. I see no reason, at this time, why unanimous consent of the Senate should be asked for the immediate consideration of this nomination, any more than any other. For that reason I object.

Mr. LEWIS. If the Senator from Oregon objects, he makes the objection with the knowledge that I will not forget it.

The VICE PRESIDENT. The Senator from Oregon objects, and the nomination will go over.

ADJOURNMENT TO WEDNESDAY

Mr. ROBINSON of Arkansas. I move that the Senate adjourn until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 3 o'clock and 59 minutes p.m.), the Senate adjourned until Wednesday, January 10, 1934, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 8, 1934

Foreign Service Officers, Consuls, and Secretaries in the Diplomatic Service

A. Dana Hodgdon, of Maryland, to be a Foreign Service officer of class 6, a consul, and a secretary in the Diplomatic Service of the United States of America. (Reinstatement.)

Clayson W. Aldridge, of New York, to be a Foreign Service officer of class 7, a consul, and a secretary in the Diplomatic Service of the United States of America. (Reinstatement.)

Walton C. Ferris, of Wisconsin, to be a Foreign Service officer of class 8, a consul, and a secretary in the Diplomatic Service of the United States of America. (Reinstatement.)

Consul

John H. MacVeagh, of New York, now a Foreign Service officer of class 5 and a secretary in the Diplomatic Service, to be also a consul of the United States of America, to which office he was appointed during the last recess of the Senate.

First Assistant Postmaster General

William W. Howes, of South Dakota, to be First Assistant Postmaster General, Post Office Department, vice Joseph C. O'Mahoney.

Second Assistant Postmaster General

Harllee Branch, of Georgia, to be Second Assistant Postmaster General, Post Office Department, vice William W. Howes.

Assistant Attorneys General

Harry W. Blair, of Missouri, to be Assistant Attorney General, to succeed Roy St. Lewis, resigned. (A recess commission was issued to Mr. Blair December 28, 1933.)

Joseph B. Keenan, of Ohio, to be an Assistant Attorney General, to succeed Pat Malloy, resigned. (Mr. Keenan is now serving under a recess appointment.)

Assistant Solicitor General

Angus D. MacLean, of North Carolina, to be Assistant Solicitor General. (New position created by act approved June 16, 1933. Mr. MacLean is now serving under a recess appointment.)

United States Attorneys

Hugh O'Neill, of Alaska, to be United States attorney, division no 2, district of Alaska, to succeed Leroy M. Sullivan, resigned. (Mr. O'Neill is now serving under a recess appointment.)

Joseph W. Kehoe, of Alaska, to be United States attorney, division no. 3, district of Alaska, to succeed Warren N. Cuddy, term expired. (Mr. Kehoe is now serving under a recess appointment.)

Frank S. Bergin, of Connecticut, to be United States attorney, district of Connecticut, to succeed John Buckley, term expired. (Mr. Bergin is now serving under a recess appointment.)

Leslie C. Garnett, of Maryland, to be United States attorney, District of Columbia, to succeed Leo A. Rover, resigned. (A recess commission was issued to Mr. Garnett Dec. 28, 1933.)

John W. Holland, of Florida, to be United States attorney, southern district of Florida, to succeed W. P. Hughes, resigned. (Mr. Holland is now serving under a recess appointment.)

J. Saxton Daniel, of Georgia, to be United States attorney, southern district of Georgia, to succeed Charles L. Redding, appointed by court. (Mr. Daniel is now serving under a recess appointment.)

Mac Swinford, of Kentucky, to be United States attorney, eastern district of Kentucky, to succeed Sawyer A. Smith, resigned. (Mr. Swinford is now serving under a recess appointment.)

Rene A. Viosca, of Louisiana, to be United States attorney, eastern district of Louisiana, to succeed William H. Norman, appointed by court. (Mr. Viosca is now serving under a recess appointment.)

John D. Clifford, Jr., of Maine, to be United States attorney, district of Maine, to succeed Frederick R. Dyer, resigned. (Mr. Clifford is now serving under a recess appointment.)

Francis J. W. Ford, of Massachusetts, to be United States attorney, district of Massachusetts, to succeed Frederick H. Tarr, resigned. (Mr. Ford is now serving under a recess appointment.)

Joseph M. Donnelly, of Michigan, to be United States attorney, western district of Michigan, to succeed Fred C. Wetmore, resigned. (Mr. Donnelly is now serving under a recess appointment.)

George F. Sullivan, of Minnesota, to be United States attorney, district of Minnesota, to succeed Lewis L. Drill, removed. (Mr. Sullivan is now serving under a recess appointment.)

Robert M. Bourdeaux, of Mississippi, to be United States attorney, southern district of Mississippi, to succeed Ben F. Cameron, term expired. (Mr. Bourdeaux is now serving under a recess appointment.)

James H. Baldwin, of Montana, to be United States attorney, district of Montana, to succeed Wellington D. Rankin, resigned. (A recess commission was issued to Mr. Baldwin December 29, 1933.)

Martin Conboy, of New York, to be United States attorney, southern district of New York, to succeed Thomas E. Dewey, appointed by court. (Mr. Conboy is now serving under a recess appointment.)

Marcus Erwin, of North Carolina, to be United States attorney, western district of North Carolina, to succeed Frank C. Patton, resigned. (Mr. Erwin is now serving under a recess appointment.)

Powless W. Lanier, of North Dakota, to be United States attorney, district of North Dakota, to succeed Peter B. Garberg, term expired. (Mr. Lanier is now serving under a recess appointment.)

Emerich B. Freed, of Ohio, to be United States attorney, northern district of Ohio, to succeed Wilfred J. Mahon, term expired. (Mr. Freed is now serving under a recess appointment.)

Francis Canny, of Ohio, to be United States attorney, southern district of Ohio, to succeed Haveth E. Mau, term expired. (Mr. Canny is now serving under a recess appointment.)

Charles D. McAvoy, of Pennsylvania, to be United States attorney, eastern district of Pennsylvania, to succeed Edward W. Wells, resigned. (Mr. McAvoy is now serving under a recess appointment.)

Horatio S. Dumbauld, of Pennsylvania, to be United States attorney, western district of Pennsylvania, to succeed Louis Edward Graham, resigned. (Mr. Dumbauld is now serving under a recess appointment.)

A. Cecil Snyder, of Maryland, to be United States attorney, district of Puerto Rico, to succeed Harry F. Besosa, resigned. (Mr. Snyder is now serving under a recess appointment.)

James B. Frazier, Jr., of Tennessee, to be United States attorney, eastern district of Tennessee, to succeed William J. Carter, resigned. (Mr. Frazier is now serving under a recess appointment.)

Horace Frierson, Jr., of Tennessee, to be United States attorney, middle district of Tennessee, to succeed A. V. McLane, resigned. (A recess commission was issued to Mr. Frierson Dec. 30, 1933.)

William R. Smith, Jr., of Texas, to be United States attorney, western district of Texas, to succeed John D. Hartman, resigned. (Mr. Smith is now serving under a recess appointment.)

Daniel B. Shields, of Utah, to be United States attorney, district of Utah, to succeed Charles R. Hollingsworth, term expired. (Mr. Shields is now serving under a recess appointment.)

Sterling Hutcheson, of Virginia, to be United States attorney, eastern district of Virginia, to succeed Paul W. Kear, resigned. (Mr. Hutcheson is now serving under a recess appointment.)

Joseph H. Chitwood, of Virginia, to be United States attorney, western district of Virginia, to succeed Joseph C. Shaffer, resigned. (Mr. Chitwood is now serving under a recess appointment.)

George I. Neal, of West Virginia, to be United States attorney, southern district of West Virginia, to succeed David D. Ashworth, removed. (Mr. Neal is now serving under a recess appointment.)

UNITED STATES MARSHALS

William T. Mahoney, of Alaska, to be United States marshal, division no. 1, district of Alaska, to succeed Albert White, resigned. (A recess appointment was issued to Mr. Mahoney December 9, 1933.)

Thomas Gaffney, of Alaska, to be United States marshal, division no. 2, district of Alaska, to succeed Charles D. Jones, resigned. (Mr. Gaffney is now serving under a recess appointment.)

Chester J. Todd, of Alaska, to be United States marshal, division no. 3, district of Alaska, to succeed Harvey P. Sullivan, term expired. (Mr. Todd is now serving under a recess appointment.)

George Vice, of California, to be United States marshal, northern district of California, to succeed Frederick L. Esola, resigned. (Mr. Vice is now serving under a recess appointment.)

Robert E. Clark, of California, to be United States marshal, southern district of California, to succeed Albert C. Sittel, deceased. (Mr. Clark is now serving under a recess appointment.)

Adam M. Lewis, of Florida, to be United States marshal, northern district of Florida, to succeed William W. Harrison, removed. (Mr. Lewis is now serving under a recess appointment.)

George A. Meffan, of Idaho, to be United States marshal, district of Idaho, to succeed Angus Sutherland, resigned. (Mr. Moffan is now serving under a recess appointment.)

August Klecka, of Maryland, to be United States marshal, district of Maryland, to succeed George W. Collier, term expired. (Mr. Klecka is now serving under a recess appointment.)

John J. Murphy, of Massachusetts, to be United States marshal, district of Massachusetts, to succeed William J. Keville, term expired. (Mr. Murphy is now serving under a recess appointment.)

Kinloch Owen, of Mississippi, to be United States marshal, northern district of Mississippi, to succeed Charles R. Ligon, term expired. (Mr. Owen is now serving under a recess appointment.)

Robert Lee Simpson, of Mississippi, to be United States marshal, southern district of Mississippi, to succeed James C. Tyler, term expired. (Mr. Simpson is now serving under a recess appointment.)

William B. Fahy, of Missouri, to be United States marshal, eastern district of Missouri, to succeed Theodore W. Hukriede, resigned. (Mr. Fahy is now serving under a recess appointment.)

Zeb Ray, of Nevada, to be United States marshal, district of Nevada, to succeed J. H. Fulmer, deceased. (Mr. Ray is now serving under a recess appointment.)

Ford S. Worthy, of North Carolina, to be United States marshal, eastern district of North Carolina, to succeed Edgar C. Geddie, resigned. (Mr. Worthy is now serving under a recess appointment.)

Charles R. Price, of North Carolina, to be United States marshal, western district of North Carolina, to succeed Brownlow Jackson, resigned. (Mr. Price is now serving under a recess appointment.)

Joseph B. Reing, of Pennsylvania, to be United States marshal, eastern district of Pennsylvania, to succeed Walter C. Fetters, resigned. (Mr. Reing is now serving under a recess appointment.)

Percy Brewington, of Pennsylvania, to be United States marshal, middle district of Pennsylvania, to succeed Robert M. Vail, resigned. (Mr. Brewington is now serving under a recess appointment.)

J. Hilary Keenan, of Pennsylvania, to be United States marshal, western district of Pennsylvania, to succeed Walter W. Meyer, appointed by court. (Mr. Keenan is now serving under a recess appointment.)

Donald A. Draughon, of Puerto Rico, to be United States marshal, district of Puerto Rico, to succeed Harry S. Hubbard, resigned. (Mr. Draughon is now serving under a recess appointment.)

William F. Goucher, of Rhode Island, to be United States marshal, district of Rhode Island, to succeed Howard C. Arnold, term expired. (Mr. Goucher is now serving under a recess appointment.)

James R. Worley, of Tennessee, to be United States marshal, eastern district of Tennessee, to succeed Insloe C. King, resigned. (Mr. Worley is now serving under a recess appointment.)

James R. Jetton, of Tennessee, to be United States marshal, middle district of Tennessee, to succeed R. Q. Lillard, resigned. (A recess appointment was issued to Mr. Jetton Dec. 12, 1933.)

James R. Wright, of Texas, to be United States marshal, northern district of Texas, to succeed Samuel L. Gross, resigned. (Mr. Wright is now serving under a recess appointment.)

Gilbert Mecham, of Utah, to be United States marshal, district of Utah, to succeed W. Vosco Call, term expired. (Mr. Mecham is now serving under a recess appointment.)

Robert L. Ailworth, of Virginia, to be United States marshal, eastern district of Virginia, to succeed George S. Pitman, resigned. (Mr. Ailworth is now serving under a recess appointment.)

John White Stuart, of Virginia, to be United States marshal, western district of Virginia, to succeed William L. Brand, resigned. (Mr. Stuart is now serving under a recess appointment.)

Albert A. Sanders, of Wyoming, to be United States marshal, district of Wyoming, to succeed R. John Allen, appointed by court. (Mr. Sanders is now serving under a recess appointment.)

UNITED STATES DISTRICT JUDGES

William H. Holly, of Illinois, to be United States district judge, northern district of Illinois, to succeed George A. Carpenter, resigned. (Mr. Holly is now serving under a recess appointment.)

Philip L. Sullivan, of Illinois, to be United States district judge, northern district of Illinois, to succeed George E. Q. Johnson, not confirmed. (Mr. Sullivan is now serving under a recess appointment.)

J. Earl Major, of Illinois, to be United States district judge, southern district of Illinois, to succeed Louis Fitz-Henry, appointed circuit judge, seventh circuit. (Mr. Major is now serving under a recess appointment.)

Robert A. Cooper, of South Carolina, to be United States district judge, District of Puerto Rico, to succeed Ira K. Wells, whose term will expire January 20, 1934.

DISTRICT JUDGE, DIVISION NO. 1, DISTRICT OF ALASKA

George F. Alexander, of Oregon, to be district judge, Division no. 1, district of Alaska, to succeed J. W. Harding, term expired. (Mr. Alexander is now serving under a recess appointment.)

UNITED STATES CIRCUIT JUDGE

Frank H. Norcross, of Nevada, to be United States circuit judge, ninth circuit, to succeed William B. Gilbert, deceased. (Mr. Norcross is now serving under a recess appointment.)

JUDGE OF THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA

Miss Fay L. Bentley, of the District of Columbia, to be judge of the Juvenile Court of the District of Columbia, to succeed Judge Kathryn Sellers, term expired. (A recess commission was issued to Miss Bentley Oct. 11, 1933.)

VICE GOVERNOR OF THE PHILIPPINE ISLANDS

Joseph Ralston Hayden, of Michigan, to be Vice Governor of the Philippine Islands, vice John H. Holliday, resigned. (Dr. Hayden was appointed ad interim on Nov. 2, 1933.)

ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE PHILIPPINE ISLANDS

Anacleto Diaz, of the Philippine Islands, vice Ignacio Villemor, deceased.

Leonard S. Goddard, of Tennessee, vice James A. Ostrand, resigned.

ATTORNEY GENERAL OF PUERTO RICO

Benjamin J. Horton, of Puerto Rico, to be Attorney General of Puerto Rico, to which office he was appointed ad interim on October 21, 1933, vice Charles E. Winter, resigned.

INTERSTATE COMMERCE COMMISSIONER

Walter M. W. Splawn, of Texas, to be an Interstate Commerce Commissioner for a term expiring December 31, 1940, vice Ezra Brainerd, Jr., term expired.

COLLECTOR OF INTERNAL REVENUE

Thomas J. Sheehan, of St. Louis, Mo., to be collector of internal revenue for the first district of Missouri, in place of Louis J. Becker, resigned.

CLERK, UNITED STATES COURT FOR CHINA

William Thomas Collins, of Missouri, to be clerk, United States Court for China. (Mr. Collins is now serving under a recess appointment.)

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. Krauth Whitson Thom, Infantry (detailed in Quartermaster Corps), with rank from December 6, 1928.

PROMOTIONS IN THE REGULAR ARMY

To be colonels

Lt. Col. Robert Louis Moseley, Infantry, from January 1, 1934.

Lt. Col. Earl Biscoe, Coast Artillery Corps, from January 1, 1934.

Lt. Col. William Scott Wood, Field Artillery, from January 1, 1934.

Lt. Col. Charles Almon Hunt, Infantry, from January 1, 1934.

To be lieutenant colonels

Maj. Albert Kualii Brickwood Lyman, Corps of Engineers, from January 1, 1934.

Maj. Clarence Edward Partridge, Ordnance Department, from January 1, 1934.

Maj. Leo James Ahern, Field Artillery, from January 1, 1934.

Maj. Donald Meredith Beere, Field Artillery, from January 1, 1934.

To be majors

Capt. William Samuel Rumbough, Signal Corps, from January 1, 1934.

Capt. Frank Henry Barnhart, Cavalry, from January 1, 1934.

Capt. Henry Theophil John Weishaar, Infantry, from January 1, 1934.

Capt. Herman Henry Meyer, Infantry, from January 1, 1934.

Capt. Henry Jeffrey Matchett, Infantry, from January 1, 1934.

Capt. Vincent Staub Burton, Infantry, from January 1, 1934.

To be captains

First Lt. Edward James Roxbury, Field Artillery, from January 1, 1934.

First Lt. Donald Dakin Lanson, Coast Artillery Corps, from January 1, 1934.

First Lt. Augustus Dawson Sanders, Infantry, from January 1, 1934.

First Lt. Harvey Thomas Morgan, Infantry, from January 1, 1934.

First Lt. Elsmere Joe Walters, Quartermaster Corps, from January 1, 1934.

First Lt. Harry Edgar Hagan, Quartermaster Corps, from January 1, 1934.

First Lt. Frank Osborn Dewey, Cavalry, from January 1, 1934.

First Lt. Edward Milan Taylor, Field Artillery, from January 1, 1934.

First Lt. Jesmond Dene Balmer, Field Artillery, from January 1, 1934.

First Lt. Dayton Dudley Watson, Air Corps, from January 1, 1934.

First Lt. Herschel David Baker, Field Artillery, from January 1, 1934.

First Lt. Herbert Edward Baker, Field Artillery, from January 1, 1934.

First Lt. Donald David Fitzgerald, Air Corps, from January 1, 1934.

First Lt. Thomas Standifer Gunby, Field Artillery, from January 1, 1934.

To be first lieutenants

Second Lt. Rudolph Ethelbert Smyser, Jr., Corps of Engineers, from January 1, 1934.

Second Lt. Charles Daniel Curran, Corps of Engineers, from January 1, 1934.

Second Lt. Francis Howard Falkner, Corps of Engineers, from January 1, 1934.

Second Lt. Alan Johnstone McCutchen, Corps of Engineers, from January 1, 1934.

Second Lt. David William Heiman, Corps of Engineers, from January 1, 1934.

Second Lt. Robert John Fleming, Jr., Corps of Engineers, from January 1, 1934.

Second Lt. David Peter Laubach, Air Corps, from January 1, 1934.

Second Lt. Benjamin Smith Shute, Corps of Engineers, from January 1, 1934.

Second Lt. William Everett Potter, Corps of Engineers, from January 1, 1934.

Second Lt. Edmund Koehler Daley, Corps of Engineers, from January 1, 1934.

Second Lt. William Joseph Matteson, Corps of Engineers, from January 1, 1934.

Second Lt. Webster Anderson, Infantry, from January 1, 1934.

Second Lt. James Elbert Briggs, Air Corps, from January 1, 1934.

Second Lt. Harry Cremartie Kirby, Infantry, from January 1, 1934.

Second Lt. John Stewart Mills, Air Corps, from January 1, 1934.

MEDICAL CORPS

To be captain

First Lt. Paul Herbert Martin, Medical Corps, from January 1, 1934.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

The following-named captains to be rear admirals in the Navy from the 1st day of July 1933:

Samuel W. Bryant

Sinclair Gannon

Capt. John D. Wainwright to be a rear admiral in the Navy from the 1st day of September 1933.

The following-named captains to be rear admirals in the Navy from the 1st day of October 1933:

Charles S. Freeman

Charles Russell Train

Capt. Ernest J. King to be a rear admiral in the Navy from the 1st day of November 1933.

The following-named captains to be rear admirals in the Navy from the 13th day of November 1933:

Paul B. Dungan, an additional number in grade

Hayne Ellis

Commander Richard S. Edwards to be a captain in the Navy from the 21st day of May 1933.

The following-named commanders to be captains in the Navy from the 30th day of June 1933:

Clyde R. Robinson
Irving H. Mayfield
John H. Hoover
Allan S. Farquhar
Philip H. Hammond, an additional number in grade
Claud A. Jones, an additional number in grade

The following-named commanders to be captains in the Navy from the 1st day of July 1933:

Albert C. Read, an additional number in grade
Willis W. Bradley, Jr.
Lucien F. Kimball

Commander Harold M. Bemis to be a captain in the Navy from the 1st day of August 1933.

Commander Ernest D. McWhorter to be a captain in the Navy from the 1st day of September 1933.

The following-named commanders to be captains in the Navy from the 1st day of October 1933:

Carl T. Osburn
William S. Farber

The following-named commanders to be captains in the Navy from the 1st day of November 1933:

George M. Ravenscroft
Harry J. Abbett

The following-named lieutenant commanders to be commanders in the Navy from the 5th day of April 1933:

Stephan B. Robinson
William G. Greenman

Lt. Comdr. James A. Crutchfield to be a commander in the Navy from the 21st day of May 1933.

The following-named lieutenant commanders to be commanders in the Navy from the 30th day of June 1933:

Charles P. Mason
John J. Brown
Campbell D. Edgar
Walter S. Haas
De Witt C. Ramsey
Roscoe E. Schuirman
Ingram C. Sowell
Francis E. M. Whiting

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of July 1933:

Charles A. Lockwood, Jr.
Paul S. Theiss
Aaron S. Merrill
Charles S. Alden

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of August 1933:

Otto M. Forster
Leonard N. Linsley

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of September 1933:

James C. Jones, Jr.
William D. Taylor
Daniel E. Barbey
Elmer L. Woodside
Glenn B. Davis
Palmer H. Dunbar, Jr.
Charlie P. McFeaters
Charles N. Ingraham
Thomas M. Shock
Adolph V. S. Pickhardt

Lt. Comdr. William I. Causey, Jr., to be a commander in the navy from the 1st day of October 1933.

Lt. Comdr. Norman C. Gillette to be a commander in the Navy from the 1st day of November 1933.

Lt. Comdr. George D. Hull to be a commander in the Navy from the 13th day of November 1933.

The following-named lieutenants to be lieutenant commanders in the Navy to rank from the dates stated opposite their names:

Francis W. Reichelderfer, September 1, 1931.
Robert P. Briscoe, October 23, 1932.
Morton T. Seligman, January 1, 1933.
Charles E. Olsen, January 12, 1933.
Logan C. Ramsey, January 14, 1933.
William H. Ferguson, February 1, 1933.
Gerald L. Schetky, April 5, 1933.
Charles E. Coney, April 5, 1933.
William H. Mays, April 5, 1933.
Henry D. Baggett, April 5, 1933.
Bayard H. Colyear, May 1, 1933.
Ralph W. Hungerford, May 21, 1933.
Charles B. Hunt, June 1, 1933.
George M. O'Rear, June 1, 1933.
James D. Lowry, Jr., June 1, 1933.
John B. Griggs, Jr., June 30, 1933.
Eliot H. Bryant, June 30, 1933.
George C. Dyer, June 30, 1933.
David S. Crawford, June 30, 1933.
Charles J. Rend, June 30, 1933.
Robert L. Boller, June 30, 1933.
Henry C. Fengar, June 30, 1933.
Paul F. Lee, June 30, 1933.
Marshall R. Greer, June 30, 1933.
Homer F. McGee, June 30, 1933.
Philip P. Welch, June 30, 1933.
Joseph R. Lannom, June 30, 1933.
Harry A. Rochester, June 30, 1933.
James J. Hughes, June 30, 1933.
Carl K. Fink, June 30, 1933.
Stuart S. Murray, June 30, 1933.
John J. Patterson, 3d, June 30, 1933.
Walter C. Ansel, June 30, 1933.
Adrian O. Rule, Jr., June 30, 1933.
Robert S. Smith, Jr., June 30, 1933.
Elmer R. Runquist, June 30, 1933.
Walton R. Read, June 30, 1933.
Daniel M. McGurl, June 30, 1933.
Robert M. Smith, Jr., June 30, 1933.
Robert B. Crichton, June 30, 1933.
Paul H. Talbot, June 30, 1933.
James L. Holloway, Jr., June 30, 1933.
Gustave H. Bowman, June 30, 1933.
Ralph E. Jennings, June 30, 1933.
Frank N. Sayre, June 30, 1933.
John G. Crawford, June 30, 1933.
James G. Atkins, June 30, 1933.
Francis H. Gilmer, June 30, 1933.
Earle H. Kincaid, June 30, 1933.
Carleton McGauly, June 30, 1933.
George W. Brashears, Jr., July 1, 1933.
Giles E. Short, July 1, 1933.
Thomas B. Fitzpatrick, July 1, 1933.
Willis W. Pace, July 1, 1933.
Harold M. Martin, July 1, 1933.
John L. Reynolds, July 1, 1933.
John R. Redman, August 1, 1933.
Ross A. Dierdorff, August 1, 1933.
George F. Montz, August 1, 1933.
George H. Mills, September 1, 1933.
John B. McDonald, Jr., September 1, 1933.
Charles Allen, September 1, 1933.
Spencer H. Warner, September 1, 1933.
Grayson B. Carter, September 1, 1933.
Riffel G. Rhoton, September 1, 1933.
Dorrance K. Day, September 1, 1933.
Samuel B. Ogden, October 1, 1933.

The following-named lieutenants to be lieutenants in the Navy from the 30th day of June 1932, to correct the date from which they take rank as previously nominated and confirmed:

William G. Michelet
Francis J. Grandfield

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the dates stated opposite their names:

Joseph H. Foley, February 1, 1932.
William V. Davis, Jr., November 1, 1932.
Roger E. Perry, February 1, 1933.
Edwin T. Layton, April 1, 1933.
Thomas A. Turner, Jr., April 5, 1933.
Robert C. Sutliff, April 5, 1933.
Adolph H. Oswald, April 5, 1933.
Frederick R. Furth, April 5, 1933.
Robert L. Swart, April 5, 1933.
Eugene C. Burchett, April 5, 1933.
George W. Stott, April 5, 1933.
Thomas A. Huckins, April 5, 1933.
George A. Sinclair, May 1, 1933.
Dale Harris, May 1, 1933.
Kenneth Earl, May 21, 1933.
James B. Ricketts, June 1, 1933.
Hubert M. Hayter, June 1, 1933.

Allen P. Calvert, June 8, 1933.
LeRoi B. Blaylock, June 9, 1933.
Samuel E. Latimer, June 9, 1933.
Harold B. Miller, June 17, 1933.
Virginius R. Roane, June 30, 1933.
William B. Bailey, June 30, 1933.
Henry C. Daniel, June 30, 1933.
Edmund W. Whitehead, June 30, 1933.
Murray J. Tichenor, June 30, 1933.
Joseph P. Thew, June 30, 1933.
John P. Cromwell, June 30, 1933.
Herrmann G. Page, June 30, 1933.
Forrest Close, June 30, 1933.
Frank W. MacDonald, June 30, 1933.
Herman Sall, June 30, 1933.
Herbert K. Gates, June 30, 1933.
Solomon F. Oden, June 30, 1933.
Steadman Teller, June 30, 1933.
Tillman T. Dantzler, June 30, 1933.
Robert O. Minter, June 30, 1933.
Crutchfield Adair, June 30, 1933.
Bertrand D. Quinn, June 30, 1933.
Stephen R. Bedford, June 30, 1933.
George W. Evans, Jr., June 30, 1933.
John D. Hayes, June 30, 1933.
Max Schreiner, June 30, 1933.
Harold P. Smith, June 30, 1933.
Walter D. Leach, Jr., June 30, 1933.
Austen V. Magly, June 30, 1933.
Robert G. Lockhart, June 30, 1933.
Thomas C. Ragan, June 30, 1933.
Preston V. Mercer, June 30, 1933.
Robert Goldthwaite, June 30, 1933.
Jose M. Cabanillas, June 30, 1933.
Carl E. Cullen, June 30, 1933.
Audley L. Warburton, June 30, 1933.
Colby G. Rucker, June 30, 1933.
Jack B. Williams, June 30, 1933.
Wilkie H. Brereton, July 1, 1933.
Warren W. Harvey, July 1, 1933.
Harold R. Demarest, July 1, 1933.
Francis M. Hook, July 1, 1933.
William W. Weeden, Jr., July 1, 1933.
Samuel M. Bailey, July 1, 1933.
Elton C. Parker, July 1, 1933.
Ethelbert Watts, July 1, 1933.
Lawrence J. McPeake, July 19, 1933.
William H. Duvall, August 1, 1933.
Charles M. E. Hoffman, August 1, 1933.
Howell Armor, August 1, 1933.
Douglas T. Day, Jr., August 1, 1933.
Minor C. Heine, August 1, 1933.
Donald J. Ramsey, September 1, 1933.
Henry E. Richter, September 1, 1933.
Frank E. Deam, September 1, 1933.
Richard J. Bourke, Jr., September 1, 1933.
Edward P. Creehan, September 1, 1933.
Leon W. Johnson, September 1, 1933.
Howard V. Hopkins, September 1, 1933.
Harry Burris, September 1, 1933.
Joseph F. Dahlgren, September 1, 1933.
Joseph S. Lillard, September 1, 1933.
Arthur D. Barnes, September 1, 1933.
John A. Holbrook, September 1, 1933.
Harrison B. Southworth, October 1, 1933.
George C. Montgomery, October 1, 1933.
Joseph F. Johnson, October 1, 1933.
Thomas E. Fraser, October 1, 1933.
Thomas S. Cameron, October 1, 1933.
Wallis F. Petersen, November 1, 1933.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 6th day of June 1932:

Samuel C. Anderson.
Robert DeV. McGinnis.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June 1933:

Wellington T. Hines	John H. Armstrong, Jr.
James H. Hean	Louis D. McGregor, Jr.
Griswold T. Atkins	George G. Palmer
Peter H. Horn	Charles E. McCombs
Oliver E. White	John G. Burgess
Bruce E. S. Trippensee	Royal L. Rutter
William B. Moore	Harold M. Heming
William E. Gentner, Jr.	Shryock M. Arwine
Manley H. Simons, Jr.	James S. Clarkson
Leonidas D. Coates, Jr.	Russell R. Ross
William C. Ennis	Lafayette J. Jones
Herman N. Larson	George L. Heap
Robert C. Taven	George M. Chambers
Joseph A. E. Hindman	George F. Kosco
John R. Craig	Durand Kiefer
Marshall E. Dornin	John J. Shaffer, 3d
Volckert P. Douw	Harry P. Badger
Frank I. Winant, Jr.	Herschel A. House
Raymond W. Johnson	George T. McCready, Jr.
Richard M. Nixon	John Hulme
David L. Whelchel	William N. Wylie
James A. Adkins	Carlton R. Adams
Ephraim P. Holmes	Lee DeV. Boyle
Walter M. Foster	Emmet O'Beirne
William C. Butler, Jr.	Scarritt Adams
Robert L. Moore, Jr.	Vernon L. Lowrance
George B. Chafee	Charles R. Herms
John T. Hayward	George E. Garcia
Frank L. Johnson	William O. Snead, Jr.
William H. Kirvan	Edward N. Little
Lot Ensey	William C. Thomas
William T. Nelson	Richard C. D. Hunt, Jr.
Hugh T. MacKay	Thomas J. Thornhill, Jr.
Thomas B. Haley	Lawrence E. Ruff
Charles B. Brook	Ira E. McMillian
Samuel M. Randall	William Y. Allen, Jr.
Alexander S. Heyward, Jr.	Horace S. Hubbard
Donald F. Krick	John K. Bisson
Frank T. Sloat	James D. Whitfield, Jr.
John W. Ailes, 3d	Charles H. Andrews
Francis S. Stich	James L. Thibault
George C. Seay	Carlos M. Charneco
Eddie R. Sanders	Charles T. Mauro, Jr.
Dudley W. Morton	Samuel D. Dealey
Ruel S. Dally	George E. Marix
Lynne C. Quiggle	James W. Coe
William S. Estabrook, Jr.	Walter T. Jenkins
Robert J. Stroh	Elvin Hahn
John Corbus	Francis E. Wilson
Bernhart A. Fuetsch	John B. Bowen, Jr.
Jack S. Dorsey	Ellis K. Wakefield
Otis J. Earle	Milton D. Fairchild
Bryan F. Swan	William G. Tisdale, Jr.
Victor S. Gaulin	Robert M. Patton
Howard G. Corey	Thaddeus J. Van Metre
Eugene T. Sands	Allen B. Roby
Donald J. Sass	Joe McA. Whitaker
Gilbert C. Carpenter	Alston M. Boyd, Jr.
Frank P. Luongo, Jr.	Royce L. Gross
Kenneth M. Gentry	Raymond L. Mayo
Thomas L. Wogan	William S. Post, Jr.
Charles H. A. Rohr	Frank L. Robinson
Thomas W. Marshall, Jr.	William T. Doyle, Jr.
Albert S. Miller	Robert F. Coates
Frank B. Miller	Harry J. Verhoyo
Warren H. McClain	Philip T. Smith, Jr.
John B. Gragg.	Veldon O. Long
Robert H. Taylor	Lyle L. Koepke
Jack Agnew	Henry G. Sanchez
Edward C. Renfro	Albert Konigsberg
John A. Moreno	William A. Moffett, Jr.
John F. Tatom	John E. Sisson
Robert R. Craighill	William H. Farmer

Joshua J. Nix
John B. Dimmick
Arthur E. Owen
John R. Haile
Richard D. McGlathery
Francis M. Carter
Harry Smith
James A. Woodruff, Jr.
John G. Howell
Robert D. Sutton
Robert F. Jennings
James H. Newsome
Norwood A. Campbell
Thomas S. Webb
Robert W. Germany, Jr.
John F. Flynn
John M. Bristol
William W. Wilbourne
Doyle M. Coffee
Ian C. Eddy
Elmer J. Dunn
Harry C. Stevenson
Baylies V. Clark
Edwin O. Wagner
Henry S. Wygant, Jr.
William T. Woodard
Arthur F. Spring
Byron B. Newell
Harold E. Duryea
Nicholas A. Lidstone
George R. Over
Charles R. Gilliam
Wreford G. Chapple
Laurance O. Mathews, Jr.
Albert P. Douglass
Joseph C. Clifton
John E. Edwards
Samuel A. Randolph
William C. Kaiser
Paul F. Heerbrandt
Charles C. Howerton
James O. Vosseller
Arthur J. Barrett, Jr.
Kenneth S. McPherson
Ray R. Conner

Midshipman Herbert S. Fulmer, Jr., to be an ensign in the Navy from the 14th day of June 1933.

The following-named medical directors to be medical directors in the Navy, with the rank of rear admiral, from the 2d day of June 1927:

Middleton S. Elliott
James C. Pryor

Surgeon John Harper to be a medical inspector in the Navy, with the rank of commander, from the 1st day of August 1933.

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 1st day of September 1933:

Martin Donelson
Louis H. Roddis
Paul Richmond, Jr.
Walter A. Vogelsang
Elphège A. M. Gendreau
Virgil H. Carson

Pay Director George G. Seibels to be a pay director in the Navy, with the rank of rear admiral, from the 2d day of June 1927.

Paymaster Herman G. Bowerfind to be a pay inspector in the Navy, with the rank of commander, from the 4th day of June 1931.

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 4th day of June 1931:

Frank H. Baeson
George W. Masterton
Thomas A. Culhane
William R. Parker
Lester A. Dyckman
William H. Abbey
Thomas L. Sorrell

Passed Assistant Paymaster Lorimer C. Graham to be a paymaster in the Navy, with the rank of lieutenant commander, from the 30th day of June 1931.

Assistant Paymaster Alfred P. Randolph to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 30th day of June 1933.

Edward S. Rhea, a citizen of Kentucky, to be an assistant paymaster in the Navy, with the rank of ensign, from the 30th day of July 1933.

Naval Constructor Beirne S. Bullard to be a naval constructor in the Navy, with the rank of commander, from the 1st day of September 1933.

The following-named assistant naval constructors to be naval constructors in the Navy, with the rank of lieutenant, from the 3d day of June 1933:

Leonard Kaplan
John A. Sweeton
Francis H. Whitaker
Carlyle L. Helber
Dale Quarton
Nicholas A. Draim
Henry A. Ingram
Leslie A. Kniskern
Edward C. Craig
Leland D. Whitgrove
Alden R. Sanborn
Bernard E. Manseau
Milo R. Williams

Civil Engineer Norman M. Smith to be Chief of the Bureau of Yards and Docks in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

Civil Engineer Henry F. Bruns to be a civil engineer in the Navy, with the rank of commander, from the 4th day of June 1931.

The following-named assistant civil engineers to be civil engineers in the Navy, with the rank of lieutenant, from the 3d day of June 1933:

Henry P. Needham
Beauford W. Fink

The following-named ensigns to be assistant civil engineers in the Navy, with the rank of ensign, from the 5th day of June 1930:

William F. Wesanen
Alexander S. C. Wadsworth

Boatswain Cecil Cuthbert to be a chief boatswain in the Navy, to rank with but after ensign, from the 4th day of May 1933.

Boatswain George W. Graves to be a chief boatswain in the Navy, to rank with but after ensign, from the 3d day of July 1933.

The following-named gunners to be chief gunners in the Navy, to rank with but after ensign, from the 4th day of October 1933:

Edward F. Manning
Francis E. Church

The following-named electricians to be chief electricians in the Navy, to rank with but after ensign, from the 4th day of October 1933:

Carl A. Quarnstrom
Elmer A. Barton
Roland E. Moore

The following-named radio electricians to be chief radio electricians in the Navy, to rank with but after ensign, from the 4th day of October 1933:

William M. Thomas
Arthur T. Hodges
Paul J. Koterba

Machinist Robert L. Davis to be a chief machinist in the Navy, to rank with but after ensign, from the 2d day of September 1932.

Machinist Virgil A. Cowart to be a chief machinist in the Navy, to rank with but after ensign, from the 10th day of January 1933.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign, from the 4th day of October 1933:

DeWitt O. Thomas
Harry G. Jones
Charles W. Hart
Charles S. Seidle
Billie B. Bullard
Frank F. Loftin
Leon M. Glasscock
Donald R. Cheek
Bernice C. Hesser

Pay Clerk Thomas C. Wade to be a chief pay clerk in the Navy, to rank with but after ensign, from the 1st day of March 1933.

Pay Clerk James W. Frey to be a chief pay clerk in the Navy, to rank with but after ensign, from the 22d day of March 1933.

The following-named pay clerks to be chief pay clerks in the Navy, to rank with but after ensign, from the 3d day of April 1933:

Matthew C. Ryan
Tallie M. Welch

The following-named lieutenant commanders to be lieutenant commanders in the Navy, to rank from the dates stated opposite their names, to correct the date of rank as previously nominated and confirmed:

Orie H. Small, March 12, 1932.
Elmer B. Robinson, April 8, 1932.
Elijah E. Tompkins, April 15, 1932.
Arthur L. Karns, May 1, 1932.
Homer E. Curlee, May 1, 1932.
Homer B. Davis, June 1, 1932.
James M. Connally, June 1, 1932.
Arthur E. Bartlett, June 1, 1932.
Harold J. Wright, June 5, 1932.
Alfred J. Byrholdt, June 14, 1932.
Charles A. Goebel, June 16, 1932.
Stonewall B. Stadtler, June 20, 1932.

Maurice H. Stein, June 30, 1932.
Hobart A. Sailor, June 30, 1932.
Thomas P. Jeter, July 1, 1932.
Adolph O. Gieselmann, July 1, 1932.
David H. Clark, July 1, 1932.
Jeffrey C. Metzel, August 1, 1932.
Festus F. Foster, August 1, 1932.
Russell M. Ihrig, August 2, 1932.
James J. Graham, August 11, 1932.
Ralph H. Roberts, September 1, 1932.
Valentine H. Schaeffer, September 1, 1932.

The following-named lieutenants to be lieutenants in the Navy, to rank from the dates stated opposite their names to correct the date of rank as previously nominated and confirmed:

John L. Brown, November 1, 1931.
Thomas E. Kelly, November 6, 1931.
Matthew L. Kelly, November 17, 1931.
George A. T. Washburn, December 1, 1931.
Homer Ambrose, December 29, 1931.
Robert R. Buck, January 1, 1932.
Philip R. Coffin, January 7, 1932.
Philip H. Jenkins, February 1, 1932.
William A. Fly, February 13, 1932.
Marvin P. Kingsley, February 21, 1932.
Charles A. Parker, March 1, 1932.
John R. McKinney, March 12, 1932.
John A. Morrow, April 1, 1932.
Harry A. Dunn, Jr., April 8, 1932.
John H. Brady, April 15, 1932.
John H. Parrott, May 1, 1932.
Henry F. Agnew, May 1, 1932.
John D. Shaw, June 1, 1932.
Harry E. Morgan, June 1, 1932.
Winston P. Folk, June 5, 1932.
Edward S. Mulheron, June 10, 1932.
John P. B. Barrett, June 14, 1932.
William A. Graham, June 14, 1932.
Henry F. Mulloy, June 16, 1932.
George W. Allen, June 20, 1932.
Stephen G. Barchet, July 1, 1932.
William P. Tammany, July 1, 1932.
Shirley Y. Cutler, July 25, 1932.
Richard F. Stout, August 1, 1932.
Willford M. Hyman, August 1, 1932.
Bernard L. Austin, August 2, 1932.
Joseph M. P. Wright, August 11, 1932.
Norman W. Ellis, September 1, 1932.
Joseph E. Wolowsky, September 1, 1932.
James R. Pahl, September 26, 1932.
George W. Patterson, Jr., October 1, 1932.
Joseph A. Callaghan, October 1, 1932.
Howard L. Collins, October 23, 1932.
John W. C. Brand, November 1, 1932.
John N. Opie, III, November 8, 1932.
Aurelius B. Vosseller, December 1, 1932.
John R. Ruhsenberger, December 14, 1932.
Emory W. Stephens, January 1, 1933.
Donald F. McLean, January 1, 1933.
Howell C. Fish, January 5, 1933.
Alfred J. Bolton, January 12, 1933.
John M. Kennaday, January 14, 1933.
Philip M. Boltz, January 18, 1933.
Sumner K. MacLean, February 1, 1933.
William D. Brown, February 16, 1933.
Everett W. Abdill, March 1, 1933.
Paul L. F. Weaver, March 1, 1933.
Edward W. Young, April 1, 1933.

CONFIRMATION

Executive nomination confirmed by the Senate January 8, 1934

SECRETARY OF THE TREASURY

Henry Morgenthau, Jr., to be Secretary of the Treasury.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 8, 1934

The House met at 12 o'clock noon.

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

Almighty God, our Heavenly Father, Thou who dost enrich the poor in spirit and feedeth the soul with immortal bread, give us that satisfying portion that leavens the understanding, the conscience, and the human heart. O bless us with the incorruptible treasures of knowledge, power, and fairness. Blessed Lord, our mission calls for much strength, courage, and decision of character. Do Thou endow us richly with patience and wise discrimination, and, above all, may we keep our own vineyards above reproach. Bridge our infirmities, and at the very center of all hearts may there be the compelling desire to know more of the living realities of life. O make us to know of the shelter and the safety of the Great Rock, under whose shadow there is experienced the tropical warmth of the heart and where the flame of love continues to glow on the altar of the human soul. We praise Thee, O God; we acknowledge Thee to be the Lord. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, January 5, 1934, was read and approved.

MESSAGE FROM THE SENATE

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

Senate Resolution 114

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. EDWARD B. ALMON, late a Representative from the State of Alabama.

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 115

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JAMES S. PARKER, late a Representative from the State of New York.

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 116

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. LYNN S. HORNOR, late a Representative from the State of West 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 117

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JOHN D. CLARKE, late a Representative from the State of New York.

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 118

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. HENRY W. WATSON, late a Representative from the State of Pennsylvania.

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 119

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. BOLIVAR E. KEMP, late a Representative from the State of Louisiana.

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.

MESSAGES FROM THE PRESIDENT

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

The SPEAKER. Under the special order of the House, the gentleman from Maryland [Mr. GOLDSBOROUGH] is recognized for 1 hour, and then the gentleman from Pennsylvania [Mr. ELLENBOGEN] is entitled to recognition for 3 minutes.

Mr. GOLDSBOROUGH. Mr. Speaker, on last Wednesday I asked for time to speak on Thursday. Ordinarily, when the House first convenes after a long recess, there is no business to transact for the first few days and with that usual condition in mind, the request was made. The majority leader very properly suggested that in view of the fact the tax bill was ready for consideration on Thursday he would object to my having time on that day. I would not have made the request had I understood the legislative situation.

Mr. KVALE rose.

Mr. GOLDSBOROUGH. I yield to the gentleman from Minnesota.

Mr. KVALE. Would the gentleman desire to yield for a point of no quorum?

Mr. GOLDSBOROUGH. Yes; I yield.

Mr. KVALE. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The gentleman from Minnesota makes the point of order there is not a quorum present. Evidently, there is not a quorum present.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

The motion was agreed to.

Accordingly the Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 77]

Abernethy	Cooper, Tenn.	Green	Pettengill
Auf der Heide	Corning	Griffin	Pou
Ayers, Mont.	Cravens	Haines	Powers
Beam	Crowther	Harlan	Reece
Beck	Cullen	Harter	Reid, Ill.
Beiter	Dear	Hess	Richards
Biermann	De Priest	Hughes	Richardson
Boylan	Dickstein	James	Romjue
Britten	Dingell	Jones	Simpson
Brooks	Ditter	Keller	Somers, N.Y.
Brown, Ga.	Douglass	Kennedy, Md.	Stokes
Brunner	Doutrich, Pa.	Kerr	Stubbs
Bulwinkle	Doxey	Lanzetta	Sullivan
Cannon, Wis.	Drewry	Lee, Mo.	Sweeney
Carley	Fish	Lehlbach	Thom
Carpenter, Nebr.	Fitzgibbons	Lewis, Md.	Tinkham
Carter, Wyo.	Fitzpatrick	Lozier	Underwood
Celler	Focht	McDuffie	Wadsworth
Chapman	Foulkes	McLean	Waldron
Claiborne	Frey	McLeod	Weaver
Cole	Gasque	Mansfield	Whittington
Collins, Miss.	Gavagan	Montet	Wilson
Connery	Gifford	Muldowney	Wood, Ga.
Connolly	Gillette	Owen	

The SPEAKER pro tempore (Mr. PARKS). Three hundred and thirty-one Members have answered to their names; a quorum is present.

On motion of Mr. BYRNS, further proceedings under the call were dispensed with.

[Mr. GOLDSBOROUGH addressed the House. His remarks will appear hereafter in the Appendix.]

The SPEAKER pro tempore (Mr. PARKS). By special order of the House, the gentleman from Pennsylvania [Mr. ELLENBOGEN] has 3 minutes to address the House.

THE DISTRICT OF COLUMBIA LIQUOR BILL

Mr. BYRNS. Mr. Speaker, if the gentleman from Pennsylvania will yield, I understand the lady from New Jersey [Mrs. NORTON] has just reported the bill H.R. 6181, regulating the sale of liquor in the District of Columbia. I want to ask unanimous consent that that bill may be taken up tomorrow after the reading of the Journal and considered under the general rules of the House.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent that the bill H.R. 6181, reported by the Chairman of the Committee on the District of Columbia, shall be taken up tomorrow after the reading of the Journal and the disposition of matters on the Speaker's table and considered under the general rules of the House. Is there objection?

There was no objection.

OLD-AGE PENSIONS

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. ELLENBOGEN] is recognized.

Mr. ELLENBOGEN. Mr. Speaker, in my time I ask unanimous consent that the Clerk of the House read the resolution which I send to the desk.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

Resolution to create a committee, to make a study and prepare legislation for the establishment of a uniform national old-age pension system on a contributory basis

Whereas under modern methods of mass production by the use of machines it is constantly becoming more difficult for persons of middle age and old age to secure employment; and

Whereas honest and industrious workers who have contributed to the wealth and productivity of our Nation are entitled to better consideration in their old age than as objects of charity; and

Whereas it is now widely believed that many of the poor-relief systems in operation in the United States are an inadequate, incompetent, and at the same time, very costly method of providing for the aged; and

Whereas 27 States, as well as the Territories of Alaska and Hawaii, have by statutory enactment adopted systems of old-age assistance which are granted to certain of their aged population; and

Whereas it may be desirable to provide a system of old-age assistance which will be uniform throughout the United States, and which will provide for the transient as well as the permanent resident; and

Whereas the most feasible and practical way whereby a system of old-age pensions can be made adequate and uniform throughout the United States, is through assistance by the Federal Government, preferably under a system of contributary pensions; and

Whereas accurate and complete statistics as to the number of aged persons and as to the life expectancy of all persons are available; and

Whereas from these statistics actuaries can easily calculate the amount of contributions to a system of old-age pensions required and of the total cost thereof: Now, therefore, be it

Resolved, That there is hereby created a committee, which shall be known as Old Age Security Commission, to consist of seven members to be appointed by the Speaker of the House of Representatives;

SEC. 2. The members of the Old Age Security Commission shall serve without pay but shall be allowed reasonable expenses for actual travel and subsistence and such other expenses as are incurred for the purpose of transacting the business of the commission.

SEC. 3. The committee, or any duly authorized subcommittee thereof, is hereby authorized and directed—

(a) To study and investigate—

1. The operation and extent of old-age assistance systems now in operation in the various States;

2. The establishment of a system of old-age contributory pensions for persons 65 years and over under the jurisdiction of the Federal Government or of any agency thereof.

3. The actuarial problems involved in the inauguration of a contributory old-age pension system.

4. The amount of contributions and the cost required for a contributory system for the payment of pensions, beginning at 65 and at 70 years of age, at amounts ranging from $25 to $50 monthly.

5. The desirability of contributions exclusively from employers and employees, or else from the Federal Government.

(b) To sit and act in the District of Columbia or elsewhere in the United States; to hold such hearings, to employ such experts, actuaries, and such clerical, stenographic, and other assistants; to request by subpena or otherwise the attendance of such witnesses, and the production of such books, papers, and documents; to administer such oath; to take such testimony; to secure such data, and any and all other information; to have such printing and binding done as it deems necessary; an oath or affirmation may be administered by any member of the committee.

(c) To require the service of such employees of the Federal Government as it may deem necessary and as the department is able to dispense with.

(d) To report within 6 months, or at the beginning of the next session of Congress, and to recommend such legislation as it deems appropriate in order to establish an old-age contributory pension system under the jurisdiction of the Federal Government.

SEC. 4. The expenses of the committee, not to exceed $15,000, shall be paid out of the contingent fund of the House, upon voucher signed by the chairman of the committee.

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech that I delivered over the radio.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

LEAVE TO FILE REPORT ON H.R. 6181

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that I may file the majority report on the bill H.R. 6181 by midnight tonight.

Mr. MARTIN of Massachusetts. Reserving the right to object, may I ask if there is a minority report?

Mr. PATMAN. I ask unanimous consent that the minority views may be filed with the majority report.

Mrs. NORTON. Mr. Speaker, I will be glad to include that in my request.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey and the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks briefly in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend and revise the remarks I have just made.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech delivered by Representative RANDOLPH last Sunday.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BLACK. Mr. Speaker, I ask unanimous consent to address the House for 45 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BLACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BLACK. Mr. Speaker and gentlemen of the House, this speech of mine is designed to meet several attacks that have been made during the recess on the N.R.A. as unconstitutional. I have in mind principally articles written by our distinguished colleague, the gentleman from Pennsylvania [Mr. BECK], and particularly one published in the November issue of Fortune.

The Constitution is a book of life. It is dynamic, generating, at the will of the people, power in the Government strong enough to protect the Nation in all hazards of its existence. It is not a museum curio to be reverently gazed upon as the keystone of a former civilization. As the court in its early days said, in passing upon the case of Martin against Hunter:

> The instrument was not intended to provide merely for the exigencies of a few years, but was to endure through a long lapse of ages, the events of which were locked up in the inscrutable purposes of providence. It could not be foreseen what new changes and modifications of power might be indispensable to effectuate the general objects of the charter, and restrictions and specifications which at the present might seem salutary might in the end prove the overthrow of the system itself.

The Constitution is not a moth-eaten blanket for smothering progress to be dropped on the American scene by such staid scholars as my colleague Mr. BECK whenever the rights of man are being asserted in a way that jars the more stationary of our statesmen. They are ever ready and willing to demonstrate glibly the outlawry of the new. These extreme conservatives even thought it heretical when one of their most trusted guides, Justice Pitney, reluctantly conceded that the law must press on, in stating:

> Let it be admitted that mere novelty is not a ground of constitutional objection, since it is the appropriate function of a legislature to change the laws.

It was quite to be expected that when President Roosevelt propounded the National Recovery Act the "die-hards" would invoke the Constitution as a bar to the new deal. Mr. BECK, more or less awed by the onrush of the Blue Eagle crusaders, and without appreciating their lawful intent, props the present constitutional issue in this unilateral pose:

> Can the Constitution be temporarily suspended to meet the exigencies, real or imaginary, of an economic emergency?

Mr. BECK, enjoying at the political roadside a well-earned rest after his skillful and successful leadership of the wet cause was startled at the unseemly pace of the White House intelligentsia and thought they were the drys coming back. So he rushed to the protection of his cherished Constitution which actually was in no danger. While it is true that Mr. BECK views the hurried marchers with alarm, they form an army with banners and the banners are for constitutional progress. They are not attacking the Constitution, but they are attacking with it. No advocate of the N.R.A. asks for a suspension of the Constitution, for that is beyond the power of government. Mr. BECK, as well as they, understands that an act suspending the Constitution would ipso facto be a legislative nullity.

The Constitution keeps step with the times. The Supreme Court in Pensacola Telegraph Co. against Western Union, gives this vivid picture of constitutional development:

> The powers thus granted are not confined to the instrumentalities known or in use when the Constitution was adopted, but they keep pace with the progress of the country and adapt themselves to the new developments of time and circumstances. They extend from the horse with the rider to the stagecoach, from the sailing vessel to the steamboat, from the coach and steamboat to the railroad and from the railroad to the telegraph as these new agencies are successfully brought into use to meet the demands of increasing population and wealth. They were intended for the government of the business to which they relate at all times and under all circumstances.

It is a fallacy to assert that the planners of the N.R.A. insist that Congress obtains power as the result of an emergency. Those who advised this scheme of recovery were too careful in their planning to overlook the historic background of constitutional powers. They understand that an emergency invests Congress with no extraordinary powers. It simply justifies Congress in applying sufficient of its latent powers to meet new conditions. Power proceeds from the Constitution, not from the emergency.

Justice Day has stated the rule with great clarity:

> The Constitution of the United States is a law for rulers and people equally in war and in peace and covers with the shield of its protection all classes of men at all times and under all circumstances. No doctrine involving more pernicious circumstances was ever invented by the will of man than that any of its provisions can be suspended during any of the great exigencies of government. Such a doctrine leads directly to anarchy or despotism; but the theory of necessity on which it is based is false, for the Government within the Constitution has all the powers granted to it which are necessary to preserve its existence, as has been happily proved by the result of the great effort to throw off its just authority.

Congress naturally in normal times does not, for fear of the voters' reaction, unduly assert itself. Should Congress abuse its lawful power, Judge Miller, in Kilburn against Thompson, points out that:

> The remedy for this, however, lies not in the abuse by the judicial authority of its function but in the people, upon whom, after all, under our institutions, reliance must be placed for the correction of abuses committed in the exercise of a lawful power.

The fact that Congress generally does not use its powers to the last degree does not paralyze them. They are alive and ready for emergency, ready to operate according to the popular will, in line with the viewpoint expressed by Justice White that:

> Although an emergency may not call into life a power which has never lived, nevertheless, emergency may afford a reason for the exertion of a living power already enjoyed.

In an emergency the congressional power may be applied to objects that in normal times constitutional limitations would save from the touch of government. The powers are the same and the objects are the same, but the emergency gives them a more intimate relevancy to government and usually the congressional powers are called into operation to regulate them. The public interest being paramount, the shield of the fifth amendment does not intervene and private rights are remarshaled for the public objective. The freedom guaranteed is not a freedom to destroy government. The unbridled exercise of so-called "rights" might accomplish such destruction in an emergency and by so doing vitiate themselves. The guarantor does not engage in joint bond with the guaranteed to accomplish mutual destruction. The emergency alteration of the usual relationship caused courts to regulate rents in the District of Columbia as the result of the war and caused the Supreme Court, in Block against Hirsch, to uphold the congressional act, there declaring:

> Congress has stated the unquestionable embarrassment of government and danger of the public health in the existing condition of things. The space in Washington is necessarily monopolized in comparatively few hands and letting portions of it is as much a business as any other. Housing is a necessary of life, all the elements of a public interest justifying some degree of public control are present.

It was but natural to expect that in the course of the development of the United States considered absolutely or relatively as a world competitor a more concentrated organization of economic power would evolve with a paralleled political set-up. This could only be achieved at the sacrifice to a sizable extent of individualism, Mr. BECK is horrified at the regimenting of industry under the N.R.A., but I predict that as other countries become more intensely organized in the space of a few years there will be a vigorous public demand for an economic system here more closely knit with government, so that we can offset the organized economic powers of all nations.

A national breakdown may force regimentation to be ordered years before it would normally develop. The due process clause being consonant with the general purposes of the Constitution and always having been implied in the original document enumerating the powers of Congress does not shift to block the public welfare when property rights step from behind it and assume a public character.

Mr. BECK becomes a violent extremist when he contends that the extended supervision over commerce destroys our devotion to the Declaration of Independence. Mr. BECK has forgotten the sage words of the Court in National Cotton Oil Co. against Texas:

> To contend for these extremes is to overlook the difference in the effective actions and to limit too much the function and power of government by arguing from extremes. Almost every exercise of government can be shown to be a deprivation of individual liberty.

The stagnation of commerce, threatening the very existence of this Government, its Constitution and laws, was the

emergency faced by the present Congress as it met in special session. All communities were calling for Federal help and Federal funds. Congress had to answer these appeals, obliging it to reestablish our economics so that the general welfare would be maintained thus replenishing tax fields for the repayment of Federal advances. A primitive psychology, lending itself to rash action, had been inspired by a surplus of commodities and lack of funds on the part of the public to purchase the necessary portions of the same. Our people were desperate. Bereft in a land of riches, they were provoked. Theirs was the position that Goldsmith sketched in The Deserted Village:

To see profusion that they cannot share.

Congress had two courses open—oratorical ballyhoo of better times, or drastic action within its powers. An aroused public would brook no fatuous speeches, and new constitutional remedies had to be found. Congress had to forego its comfortable and favorite pastime of droning declamation and apply itself to the serious work of solving the problem, much in the spirit of John Ruskin when he announced:

I feel the force of mechanism and the fury of avaricious commerce to be at present so irresistible that I seceded from the study not only of architecture but nearly of all art and have given myself as I would in a besieged city to seek the best modes of getting bread and water for its multitudes.

While the purpose of Congress was justified by all human instincts, its operations had to be within the scope of the force extended to it by the Constitution. The welfare of the country was at stake. Congress realized that the welfare objective stated in the preamble of the Constitution conferred of itself no legislative authority, and, further, that the so-called " welfare clause " in the body of the document was but qualifying the taxing power. Commerce had to be regulated in the sense that it required fostering and protection, which functions, said the Supreme Court, in the second employers' liability case, were within our power.

Research establishes that the Union was conceived with an idea of commercial nationalism. That the States became united in order to facilitate and free commerce here was amply demonstrated in the argument of Mr. Webster before the Supreme Court in the early case of Gibbons against Ogden.

Some excerpts from the report of Webster's brilliant plea which was sustained by the Court will be most encouraging to the N.R.A. advocates:

Few things were better known that the immediate causes which led to the adoption of the present Constitution, and he thought nothing clearer than that the prevailing motive was to regulate commerce to rescue it from the embarrassing and destructive consequences resulting from the legislation of so many States and to place it under the protection of a uniform law. The great objects were commerce and revenue, and they were objects indissolubly connected. * * *

In the history of the times it was accordingly found that the great topic urged on all occasions as showing the necessity of a new and different government was the state of trade and commerce.

The resolutions of Virginia in January 1786, which were the immediate cause of the convention, put forth this same great object. There is not another idea in the whole document. The entire purpose of the delegates assembled in Annapolis was to devise means for the uniform regulation of trade. They found no means but in the general government and they recommended the convention to accomplish that purpose.

We do not find in the history of the formation and adoption of the Constitution that any man speaks of a general concurrent power in the relation of foreign and domestic trade as still residing in the States. The very object intended more than any other was to take away such power. If it had not so provided the Constitution would not have been worth accepting.

What is that to be regulated? Not the commerce of the several States respectively, but the commerce of the United States. Henceforth the commerce of the States was to be a unit, a system by which it was to exist and to be governed must necessarily be complete, entire and uniform. Its character was to be described in the flag which waved over it E pluribus unum.

The founding fathers were accurate in their forecast that the life of the Nation depended on its commerce and that commerce among the States depended on the power of the Nation. The present Congress saw the very existence of the Nation, our form of government, and our underlying system of economics on the verge of dissolution. To revive commerce there were needed markets, the terminals of commerce. To build up markets, employment had to be stimulated. Thus the N.R.A. was devised, not as a pressure for product, but as a development of consumption factors. Commerce would not flow unless attracted by markets; and, if pending law or a lack thereof discouraged commerce, it was plainly the duty of Congress to legislate properly. The opposition to the then proposed commercial regulations could be classified with the opposition to the child labor laws, and this block takes some grains of comfort from the case of Hammer against Dagenhart, which was the medium of the Supreme Court nullifying as unconstitutional the child labor law. By a majority of one, the Court declared that goods produced by the impairment of child life might have the protection and fostering of interstate commerce. Mr. BECK's school relies on this judgment as destructive to the N.R.A. The Court made this proposition:

There is no power vested in Congress to require the States to exercise their police power so as to prevent possible unfair competition.

The grant of power to Congress over the subject of interstate commerce was to enable it to regulate such commerce and not to give it authority to control the States in the exercise of the police power over local trade and manufactures.

The marked difference between the child labor law and the National Recovery Act lies in the effort by Congress in the former to suppress an antisocial labor condition permitted in a limited area of the country, while in the latter Congress attempts to cure by legislation a Nation-wide economic disease which has absolutely clogged commerce. In the child-labor case conservative judges, bowing to the Cardozo philosophy that a judge is not cloistered, readily understood that a welfare lobby had induced Congress to invoke its commerce power to remedy an isolated social evil. The Court can, in the N.R.A., without looking beyond the act, ascertain the motives of Congress in the preamble to the bill. Moreover, no place was a sanctuary from the depression, and news of it has seeped into the most sacred temples. At least three members of the present court, Justices Brandeis, Stone, and Cardozo, are quite willing to have a judge be informed as to current events in the world outside. The Court understood that child labor shocks the moral sense of the national unit without working any present profound commercial harm, while general unemployment, leading to mass hunger, which means a failure of government in a country richly endowed, makes it imperative for government to readjust the commercial system which it bears. So it is repugnant to every theory of sovereignty to deny the legislative power to exclude from the stream of interstate and foreign commerce products offered under a system whose continuance would destroy the Nation. In the light of our jurisprudence it is tantamount to the suggestion that Congress may protect the morals by penalizing the transportation of women for immoral purposes; that it may protect health by banning misbranded drugs and adulterated foods; that it may discourage the gambler by barring lottery tickets from transportation in interstate commerce; but that it may not take action to conserve the whole of our commerce because of the police power of the States or the exaggerated right of the " rugged individualist ", who generally associates with others in business enterprises, to liberty of contract.

In a case subsequent to Hammer against Dagenhart the Supreme Court sought to avoid the apparent restriction put upon the commerce powers of Congress in that very much condemned five to four decision, for when Stafford against Wallace came to the Court for its verdict the judges opened the way for Congress to assume the imperative control over commerce set out in the N.R.A. This litigation involved the validity of an act of Congress which attempted to regulate the methods of doing business by commission brokers acting within the various stockyards of the United States. There was no question but that in many respects these transactions took place all within a State and concerned matters usually left to State regulation, but the Court held that the act was constitutional on the ground that the activities of the commmission brokers, unless regulated, were a burden upon interstate commerce. The Supreme Court has time and again upheld the power of Congress to suppress obstructions to commerce. The child-labor law was to suppress a

social evil which the involved States could themselves have suppressed. It is quite definite that acts in relation to interstate commerce come within the congressional jurisdiction. The Minnesota rate cases lend sanction to this broad power of Congress. Said the Court:

> The authority of Congress extends to every part of interstate commerce and to every instrumentality or agency by which it is carried on, and the full control of Congress of the subjects committed to its regulation is not to be denied or thwarted by the commingling of interstate and intrastate operations. This is not to say that the Nation may deal with the internal concerns of the State, as such, but that the execution of Congress of its congressional power to regulate interstate commerce is not limited by the fact that intrastate transactions may have become so interwoven therewith that the effective government of the former instantly controls the latter.

In United States against Ferger, Chief Justice White held that the power of Congress includes the authority to deal with obstruction to interstate commerce and with a host of other acts having relation to or influence upon interstate commerce, although not interstate commerce in and of themselves.

The Nation must act in uniformity toward all the States. That it did not in the child-labor law; that it does in the N.R.A.

The early case of Groves against Slaughter established that Congress cannot pass a nonintercourse law as among the several States nor impose an embargo that shall affect only part of them. Congress did try to impose such an embargo in the child-labor law, but in the N.R.A. an effort has been made to lift the embargo the depression clamped on commerce in and through all the States.

The lottery cases, the Mann Act, and the prize-fight film law did prohibit interstate commerce advancing objects thought to be deleterious. The child-labor law sought to obstruct innocuous objects whose manufacture was attended by group evils entirely in the consigning State. These interstate-commerce laws, passed as a sop to reform and sustained by the Supreme Court, have shown a power in Congress over interstate commerce that does not concern itself primarily with the commercial aspects of the situations comprehended by the legislation. If Congress has power by prohibition to guard morality, it should have power by prohibition to guard business morality intending a conservation of markets and a free flow of commerce.

Congress, in the Antitrust Acts, the Grain-Futures Act, and similar statutes, has been upheld in its efforts against deliberate strangulation of commerce. Surely Congress when it sets up a plan of industrial cooperation as a stimulus to commerce will receive judicial approbation. If Congress could provide for competition by the Antitrust Acts, it can regulate it by the N.R.A. Congress under the N.R.A. is making definite criteria of fair competition having already declared that the indefinite activity, unfair competition, is unlawful.

The Federal Trade Commission act declared that unfair competition in interstate commerce was unlawful. It did not define unfair competition, but left such definition to the courts.

Now, Congress has established a method to determine what unfair competition is in each industry. As the Court sanctioned the Federal Trade Commission, it will in all logic sanction the Recovery Administration. The child-labor case, with a 5 to 4 decision passing on a statute whose object was plainly not commercial, will not prevail against the historical development of the interstate-commerce powers of Congress, the emergency inspiration for their fullest use and the disaster that would attend the invalidating of the statute. Could the then Court have anticipated the present national plight, it would not have stated itself so broadly to extinguish the child-labor law. Read in the light of today the opinion can tolerate much editing. As Justice Brandeis has stated:

> The Court bows to the lessons of experience and the force of better reasoning, recognizing that the process of trial and error so fruitful in physical sciences is appropriate also in the judicial function.

It is far from sane expectancy to believe that the nine alert and learned justices of the Supreme Court, not insulated from the economic terror abroad, will permit the opinion in the child-labor case to thwart the effort of Congress to allay the depression. It will be difficult enough to cure it by any form of legislation, and certainly any bill less comprehensive than the National Recovery Act will be inconsequential.

It might be well for those who believe that Congress has taken too bold a step forward in this matter to read the startling observation made sometime ago by G. Lowes Dickenson, an English university lecturer, under the title "Letters from a Chinese official":

> Like the prince in the fable, you seem to have released from his prison the genie of competition, only to find that you are unable to control him. Your legislation for the past hundred years is a perpetual and fruitless effort to regulate the disorders of your economic system. Your poor, your drunk, your incompetent, your aged, ride you like a nightmare. You have dissolved all human and personal ties, and you endeavor in vain to replace them by the impersonal activity of the state. The salient characteristic of your civilization is its irresponsibility. You have liberated forces you cannot control; you are caught yourselves in your own levers and cogs. In every department of business you are substituting for the individual the company, for the workman the tool. The making of dividends is a universal preoccupation; the well-being of the laborer is no one's concern but the state's. And this concern even the state is incompetent to undertake, for the factors by which it is determined are beyond its control. You depend on variations of supply and demand which you can neither determine nor anticipate. The failure of a harvest, the modification of a tariff in some remote country, dislocates the industry of millions thousands of miles away. You are at the mercy of a prospector's luck, an inventor's genius, a woman's caprice—nay, you are at the mercy of your own instruments. Your capital is alive, and cries for food; starve it and it turns and throttles you. You produce not because you will but because you must; you consume not what you choose but what is forced upon you. Never was any trade so bound as this which you call free; but it is bound not by a reasonable will but by the accumulated irrationality of caprice.

We do not have to be as pessimistic about the outlook as this burning criticism of the modern industrial system would make one. Neither rose-colored glasses nor blue afford the precision required for a statesmanlike survey of the problem to be negotiated.

We would not be justified in a drifting policy, and our present hope of salvation lies in cooperation. The experiment proposed by Congress should be accepted in the spirit of Washington's Farewell Address:

> The experiment at least is recommended by every sentiment which ennobles human nature.

The Court, as alert as Congress to safeguard the public welfare, will appreciate the tremendous pressure on Congress for legislation of a distinctively radical aspect to those who have survived on the laissez faire system and are prepared to sink with it.

A study of the Supreme Court action on the constitutionality of Federal legislation is heartening to the advocacy of the new policies. In the 144 years of its existence, in which period approximately 140,000 cases have been decided, the Supreme Court has declared only 60 congressional enactments unconstitutional. Every presumption is in favor of the constitutionality of the considered act, and unless it is squarely in violation of the organic law, the court will uphold the legislation.

The N.R.A. has already received the sanction of the Supreme Court of the District of Columbia. The court, in commenting on the present state of the Nation, made this striking and rather broad comment:

> It may happen that other emergencies prove more perilous to national life than war itself. War may tend to unify a nation. There are emergencies that tend to disorganize and to destroy. Another maxim is "the safety of the people is the supreme law." This concept must have its place in our laws dealing with emergencies that threaten national safety or stability. While the courts held that the Constitution is not suspended or set aside by war or national emergency, it is thought that the Constitution and all other laws must be read in the light of and, to some extent, subject to the primal and fundamental concept of the necessity for self-preservation.

The Agricultural Adjustment Act has already twice received judicial imprimatur the same principles of constitutional law being invoked on which the N.R.A. is predicated.

The opposition to the N.R.A. is put to it to understand how the Congress can regulate what is on its face a strictly intra-

state commercial transaction. The principle of the N.R.A. extent of congressional control over such intrastate business has been affirmed several times by the highest Court. In the Shreveport case, which received much congressional attention, the Supreme Court supported the Interstate Commerce Commission in an action taken on railroad rates from Houston and Dallas to other points in Texas on the ground that such rates were discriminatory against interstate commerce transported from Louisiana similar distances into Texas. There Justice Hughes stated that the authority of Congress extended to the maintenance of conditions under which interstate commerce may be conducted upon fair terms, and that while Congress did not possess the authority to regulate the internal commerce of a State, as such, it did have power to foster and protect interstate commerce and to take measures necessary or appropriate to that end, and further, that the power to regulate interstate commerce was granted to Congress to make impossible the recurrence of the evils which had overwhelmed the confederation and to provide the necessary basis of national unity by insuring uniformity of regulation against conflicting and discriminating State legislation.

Again, in the Wisconsin rate case, where a somewhat similar situation was presented to the Court, Chief Justice Taft declared:

* * * The principles laid down in the Shreveport case left no room to question the power. Congress in its control of its interstate-commerce system is seeking in the Transportation Act to make the system adequate to the needs of the country by securing for it a reasonable compensatory return for all the work it does. The States are seeking to use that same system for intrastate traffic. That entails large duties and expenditures on the interstate-commerce system which may burden it unless compensation is received for the intrastate business reasonably proportionate to that for the interstate business. Congress, as the dominant controller of interstate commerce may, therefore, restrain undue limitation of the earning power of the interstate-commerce system in doing State work. The affirmative power of Congress in developing interstate-commerce agencies is clear.

In Wallace against Callistan Packers Co., which was decided in October 1933 in the Federal District Court of California, the court was required to pass upon the right of the Secretary of Agriculture to enjoin a company from producing peaches in excess of its quota under the A.A.A. The court declared:

It must be construed to give the Congress the power to regulate any and all commerce which may seriously affect the interstate trade. This court, with propriety, cannot make the narrow holding that the legislative body, under this analogous statute, is without power to regulate intrastate commerce as a proper means of achieving the desired regulation of the interstate commerce. In this and other respects the power to regulate must be construed to effectuate the broad purposes of the constitutional grant and of the national policy.

So from 1824, when Gibbons against Ogden was decided, to the present day, with the exception of the apparent detour of the Supreme Court in the Child Labor Case, the tendency of our Federal tribunals has been to approve congressional extension of powers under the interstate commerce clause.

The stability of Mr. BECK is shattered as he visions a Roosevelt dictatorship since Congress has delegated certain necessary powers to the President under the N.R.A. A dictator subject to a court belies the term, and Mr. BECK believes that Mr. Roosevelt's power will be drastically limited by the Supreme Court. Business in the emergency required a commander in chief. There was a far-flung cry in the business world for leadership, and when the life of the Nation chanced engulfment in the business catastrophe it was the certain duty of the President to accept that leadership and of Congress to give him the necessary powers. This delegation was constitutional, for Congress, after clearly stating its objectives, sets forth the principles and general methods by which the President was to achieve them. The legislative body followed its former course in the Tariff Act of 1922 when conferring rating powers on the White House. The various statesmen who lauded that clause in the tariff are highly critical now, and a little hysterical, but the court is not swung by political considerations and will accept the theory of our Government relations favored by Chief Justice Taft in passing on the Tariff Act of 1922:

* * * To avoid such difficulties Congress adopted * * * the method of describing with clearness what its policy and plan was and then authorizing a member of the executive branch to carry out its policy and plan and to find the changing difference from time to time and to make the adjustments necessary to conform the duties to the standard underlying that policy and plan. As it was a matter of great importance, it concluded to give by statute to the President * * * the function of determining the difference as it might vary.

While it is true that the Lever Act was declared unconstitutional although a war-time measure, there the difficulty was lack of precision as to violations. Criminal statutes must be definite. It may be that a particular code could be set aside on this basis, but that would only be charged to a lapsing from the directions set out by Congress in the act, and in itself be a violation of the N.R.A.

Perhaps the Court will not be pressed to pass on the fundamentals of the law, for the signatures to a code could readily be declared waivers of constitutional rights. The licensing provisions may be considered a form of duress and then the waiver value would be nullified, opening for the Court's attention the basic questions. Naturally the waiver theory would not arise if a nonsigner seeks the protection of the judicial branch of Government.

The Court can in the pending state of the Nation be both realistic and legalistic. Its own precedents favor, and the country demands, the "new deal." The 9 judges are not 9 blinded hermits, stupefied by the dust of an old court room, crying out, "O Tempora! O Mores!" They advance with the times along a well-charted constitutional path. The judges will not inconvenience the public if it can be avoided. They will be mindful of the economic eruption that would attend an adverse decision on the N.R.A. It would be in line with declaring the Selective Service Act unconstitutional as the American Expeditionary Force was achieving victory. Two recent declarations from the bench are proof of this and are also prophetic of the fate of the N.R.A.

Justice Brandeis brought the Nation sharply to attention with this thoughtful declaration:

The people of the United States are now confronted with an emergency more serious than war. Misery is widespread, in a time not of scarcity but of overabundance. The long-continued depression has brought unprecedented unemployment, catastrophic fall in commodity prices, and a volume of economic losses which threatens our financial institutions. * * * There must be power in the States and the Nation to remold, through experimentation, our economic practices and institutions to meet changing social and economic needs.

Chief Justice Hughes places his finger on the casual effect industrial decline has on commerce when in the *Appalachian Coals case* he reminded the country that—

When industry is grievously hurt, when producing concerns fail, when unemployment mounts, and communities dependent upon profitable production are prostrated, the wells of commerce go dry.

The Congress will not permit these wells to remain dry nor will the people nor the Constitution nor the Supreme Court. [Applause.]

Mr. LAMNECK. Mr. Speaker, I ask unanimous consent to address the House for 45 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LAMNECK. Mr. Speaker, I rise to address the House in support of the President's policy to restore the 1926 price level and at the same time provide sound money for this Nation. In my opinion, this question transcends in importance all other questions now claiming public attention. Its proper solution will determine whether the depression is to continue or whether we are to have prosperity. We have the economic power to control this situation. How shall we use this power? We have the power; what we need is a clear vision of the truth about it.

I am addressing myself particularly to those Members of Congress who are in sympathy with the President's program to alleviate human suffering, stimulate business, and bring happiness and contentment to all the people. The Presi-

dent has been very definite in his pronouncements. There has been no equivocation. His high purposes are understood, appreciated, and applauded by the people of the country regardless of politics. He wants the 1926 price level and a dollar that will have the same purchasing power from one generation to another. That is the issue; it is a clean-cut issue. I favor it, and I wish to address myself to those Members of Congress also favoring it and who wish to give the President their support, and who wish to help bring about the high aims set out in this policy.

Congress has definite responsibilities in this matter. It represents the constitutional authority of our Government specifically delegated to Congress to coin money and regulate the value thereof. It is the fundamental law of the country. We cannot depart from it. Our Government cannot lawfully function to suit the whims of individuals or any group of individuals, for the power has been given to the Supreme Court of the United States to interpret and enforce the Constitution.

Mr. Speaker, we have been in this depression for 4 years. To meet and cure the present distressing conditions Congress has conferred certain extraordinary powers upon two succeeding Presidents. The right of Congress to delegate such authority may be questioned, and that is one matter to which I wish to address myself for just a moment. There is such a thing as delegating authority to the Executive in order to strengthen his hand and give to him the necessary power to accomplish the things which are important or imperative. There is such a thing, also, as the Congress shirking its responsibility and placing its powers where they cannot be used. On the eve of the world conference at London it was of the greatest importance that our President should be possessed of particular and extraordinary powers that we might give every possible opportunity to the London Conference to work out a price level that would restore prosperity. The London Conference failed to restore a price level that is in the interest of the United States. It immediately developed in that conference that any effort of the United States to raise price levels was offensively called an inflation plan. To raise price levels and at the same time have sound money is the object of the Government. It is the announced policy of this Government; and if that is inflation, those who are opposed will have to make the most of it. I claim that a stable price level and an honest price level is sound money, not inflation. And whether I am right in this statement, or not right, is one of the matters this Congress can determine.

This is the rock on which the London Conference had to split. There was no other result except one, and that was a surrender of our wealth of resources and our future prosperity.

The London Conference was a failure, as was predicted in this House of Representatives at the time the resolution was passed authorizing our participation in it. Valuable time was lost; but we could not oppose this method of dealing with this question, because it was forced upon the Congress by the uncontrolled and uncontrollable sentiment which had swept this country into the conclusion that an economic conference was the one way out. This conclusion was not founded upon intelligence and not upon reason. Was it founded upon propaganda spread over our country? That is quite a question!

But now that the London Conference is a failure, we can come back to the speeches that were made in this House by Representative FIESINGER, of Ohio, Representative Amlie, of Wisconsin, and by others, pointing out the reasons why the conflict of interests between Europe and America in the matter of price levels could never be adjusted in a conference, and also pointing out that American protection could only be arrived at by independent American action.

And now, the most important question before the Congress, the Nation, and the world is to take up where the London Conference left off and to succeed where the London Conference failed in restoring the 1926 price level and at the same time provide this Nation and the world with sound money.

Mr. Speaker, we have not had sound money in the United States since October 1929. The purchasing power of our money has either been rapidly rising or rapidly falling. In both instances profitable world markets have been closed to us because of this condition. Our customers who used to purchase from our surplus of production can no longer finance their purchases, and we, as a result, are afflicted with what is called "overproduction." To restore our commerce and to restore our markets and be able to sell at a profit are primary steps toward curing this depression. Furthermore, it is a fundamental step; it deals with causes rather than results. All the legislation and all the activities of this Government during these past 4 years have been dealing with effects. They have represented an effort to distribute the burdens of depression rather than to cure the cause of the depression. We have placed 4,000,000 men on the pay roll of the Government, but the Government has no profits from which to pay these men: It must pay them from taxes and from borrowed money. We must relieve the taxpayers of the burden of maintaining millions of persons who are on nonproductive pay rolls or it will surely destroy this Government. We must restore profits, and we must restore them quickly To restore profits we must remove the cause of depression and bring back those conditions upon which prosperity must be based.

You cannot have depression in a country of the natural wealth of the United States if you have free commerce in the world and a sound money system. There is no soundness in the money system where the money base has fluctuating value. Sound money implies stable price levels. Any one or any two or a dozen commodities, may fluctuate in value, due to overproduction or other conditions, but the whole list of commodities cannot be into a slump, without proving that something has happened to your money base.

Gentlemen, we are facing the most critical period in our history, because we have not dealt with this question in its fundamental aspect during these 4 years. Nations all over the world are learning to produce what we used to produce for them. Spain can grow her wheat, Asia and Africa can grow cotton; the French chef is learning to make pastries out of Argentine wheat; the Englishman is learning to make bread out of Argentine flour with equal success to American flour; and Europe is showing that a preference for Chicago beef is passing to Argentine beef.

Mr. Speaker, we have delayed too long in entrusting the management of our money system to experts who are temporarily serving our Government and who are permanently employed, in the main, by the very interests that have opposed us in our efforts.

Price levels cannot be controlled by the banking interests of the world, and also by the United States Congress. One or the other must assume control. The experts of the banking interests have been advising our Government. Congress alone seems to be able to secure experts who are divorced from these opposing interests. Three months ago, at a conference in the Treasury Department, one of the chief advisers of the Treasury made the statement that if this Government resorted to a certain action he would be forced to resign his position. How can a government function when its advisers are ready to go on strike unless their particular views are carried into effect? How can we, sitting in this Congress, know that one official who threatens to resign is not in harmony of thought with many others? How can we know that the officials of our Government are not threatening to strike, and other forms of duress, if the policies of the Government refuse to conform to the individual opinions of these men?

The framers of our Constitution, in their unequaled wisdom of statesmanship took due note of these things in delegating this power to Congress, and so I say that Congress, acting under its constitutional authority, must support the hands of the President in this program he has so wisely pronounced—the 1926 price level, and stable, sound money.

THE FIESINGER BILL

There is a bill pending in this Congress which was pending at the time of the resolution relating to the London

Conference. This bill is a second declaration of independence as applied to our economic life. It recognizes gold as the measurement of value. It puts the control of price level in the hands of the Government instead of in the hands of the international bankers, as it now is. It places the United States in control of its money system for the first time in the past 100 years and takes it out of the control of the hands of the European nations. It gives silver a monetary use. In effect, it doubles the supply of gold of the world. It prevents the manipulations of gold values. It restores the purchasing power of all nations now on a silver basis, and gives to them a world money.

If these statements are true, who is there that could oppose such a piece of legislation?

This bill was sidetracked in order that the London Conference might be given the opportunity to show what it could do. We have all seen what it could do—it could furnish a beautiful trap for the United States to walk into. We were saved from going into this trap, not by the action of our London delegates at the London Conference. They were prepared—and perfectly willing—to walk into this trap. I myself had a conference with Governor Cox, the chief representative of the American Government at this conference, a few days before he left for London.

I went to this conference with Representative FIESINGER, my colleague from Ohio, and Mr. John Janney, our economic adviser, at the request of President Roosevelt. We were in conference on the 24th day of May, and I was told by Governor Cox that "the program for the London conference was not only fully arranged, but it was all agreed to." Governor Cox told us the details of this arrangement, and in my view and in the view of Judge FIESINGER and in the view of Mr. Janney, these arrangements would have placed a yoke upon the neck of the producers of wealth in the United States which would have proven so burdensome to this Nation that it might well have resulted at some future time in a war between this country and those nations who were in control of the powers that this program would have given them. This situation was saved by the action of the President of the United States, when he directly reversed his position and refused to acquiesce in or longer subscribe to such a program. In a word, the President broke up the London conference.

The point I wish to make here is this: Why was the President in agreement with this program up to the time where he reversed his position? It was because of his economic advisers, and I emphasize now this danger that the President is hampered by the influence of economic advisers, who are not permitting him to clearly visualize what is the method and the way to secure the best interests of the United States.

We have here in this Congress the authority, and we must have the opportunity, to debate these matters. We have the opportunity to investigate in our committees, and we should have the opportunity to bring these very advisers of the President into questionings and congressional examinations so as to be able to dig down into the very vitals of the matter. It is impossible that the President can have the time or the opportunity for such investigation; and, as a matter of fact, I happen to know that as far as this Congress is concerned it cannot send its representatives to question these men as employees of the Government. We can only question them by bringing them before our committees. They will not yield themselves to questioning by our representatives, and I say to this Congress that if they did yield themselves up to questioning by our representatives we would be able to have a much clearer picture of what the thing is that they are trying to do, and we would have a much clearer understanding of why they have delayed so long in placing this Nation on a sound-money basis.

The President has declared for a dollar that will have a purchasing power which will be the same today and a generation hence. The President has declared for a dollar that shall have the purchasing power as represented by the 1926 price level. But how are these things to be accomplished? That is the practical question. H.R. 1577 is in accord with these policies of the President. Without any doubt, so far as I have been able to find out, this bill sets up the machinery for reaching this desired end, and there is no one who can charge that it provides for giving to the people of America a "balony" dollar. On the contrary, it provides for a dollar that has as its measuring unit gold values of the 1926 price level. It is a dollar—and this is the important fact—that will carry with it in the markets of the world a definite intrinsic value, and the machinery is provided for regulating and maintaining this value.

The entire aim of this administration, in its announced money policy, is fully accomplished by the provisions of this bill; not only that, there is no other measure before the Congress that can claim such a result. Also we have taken the power to regulate money values out of the hands of banks and groups of men who will further their selfish ends by selfish market operations based upon prior information. We have proven conclusively, in recent years, that groups of men occupying positions of power given to banks for the regulation of money values use this power selfishly. Manipulative operators in world moneys should not have anything to do with setting up a monetary policy for America. This bill sets up a regulating control based on the 1926 price level. When the value of gold is above this level it is brought down; when the value of gold is below this level it is brought up by one of two methods. First, the familiar method of retiring credits through the Federal Reserve bank, which we all know works splendidly when it comes to creating depression of commodity prices; and the other is by the method of regulating the metallic base. With $250,000,000,000 of debts in the United States to be retired it will be a long time before the machinery for the control of the metallic base will have to be operated to create depression.

A long period of prosperity will be needed to offset the extravagances and waste of the last 4 years and the extravagances and waste still continuing, and that will continue for the next 2 years, at least. If this bill should become a law, we will restore the basis of prosperity throughout the world within the next 60 days. But it will be a year or more, even then, before we can revive the vitality of the prostrate nations of the world by the normal opening of markets and the beginning of trade between nations that have a surplus and those that need this surplus. But we have in this bill the means of setting up a new monetary system and a new gold standard for the gold-standard countries as well as a new silver standard for the silver-standard countries, by simply restoring the destruction worked upon the money system by the action of nations that wished to put the world on a bank-control basis.

It want to say to the House of Representatives that the United States of America is the only nation in the world powerful enough to block this movement to put the world on a bank-control basis, and there is a definite reason for this. The reason is that the United States is the only great world power that is also a great producing nation. There are many nations in the world who are in the class of producers, but they do not occupy the position of a world power.

The wealth of the United States comes from its great natural resources, from its great power of production, and from its great manufacturing establishments. We produce our own raw materials, and the producers and handlers of those materials constitute the greater part of our market for our manufactured goods. That is why we are dependent upon high-price levels.

The nations of the world, on the other hand, who import their raw materials and who import their foodstuffs are benefited by the adversity of our producing industries. They profit if we produce our raw materials at a loss, for it lowers their cost of manufacture and their costs of living. At the same time that it lowers our scale of living it raises theirs. It is an instrument of exploitation, but we are the ones exploited. For this reason it is to the interest of the United States to stand alone and adopt a policy to prevent exploitation of this country. It is to the interest of the United States to adopt an American plan, and this American plan has already been promulgated and is before us in the form of a finished product in H.R. 1577.

I suggest for the serious consideration of the House of Representatives that we immediately study and debate this bill as a remedy for the cause of this depression and give it priority over any other measure.

In connection with the consideration of this bill there is a matter that appears to me to be one of supreme importance. I am sure that many Members of this House of Representatives will agree with me in what I am about to say. This country is flooded with propaganda. There is hardly a man that I meet who is not mystified on this important question. The mind of the average man is so confused that he cannot exercise the intelligent consideration that a voter in a democratic form of government must exercise. I wonder and I marvel at this propaganda. The question in the minds of many of you—and it is a question in my mind—is whether this propaganda has not some source or influence that is purposeful and aims to accomplish the very result that is accomplished in the mystification and complication of this important subject. I therefore urge upon this House of Representatives that we should investigate the source of all this propaganda which has created so much confusion on this question, and that we find out who is directing public sentiment in the United States on this vital issue. If a resolution to investigate this propaganda is not presented by some Member of this House, I shall do it myself.

For my part, I have tried to investigate this educational buncombe which is swamping the United States. My experience is that a man who has studied the money question is blocked from freedom in discussion with the sources of much of this propaganda. Although I am a Congressman of the United States, I cannot bring into the open light of investigation as an individual either the source of this propaganda or just what it is intended to do. There is a secrecy about it; there is a subtleness about it. Congress is full of it, and the minds of our people are full of it. I receive letters from my constituents urging me to certain courses, and on investigation find that they have no knowledge or real thoughts on the subject. They have been told to write to me and, in their ignorance and gullibility, they do write.

The Congress of the United States must immediately throw the searchlight of investigation into this dark corner, or we are going to be swamped with political influences that are manufactured in foreign countries and that will lead us to the surrender of our heritage of living, just as has been done on former occasions. Just as we did, for example, when we entered into the Jay Treaty with England, which was ratified on June 24, 1795, whereby we needlessly surrendered our right to the freedom of the seas. We fought the War of 1812 to regain this right, but the same political influences prevented even a discussion of this subject at the treaty which terminated that war. President Wilson vowed to regain the freedom of the seas at the Treaty of Versailles; but did we regain it? Is the Jay Treaty still in force?

When this Congress attempted to regulate the rates through the Panama Canal and England stepped in and told us what we could do about these canal tolls, there was a general sense of resentment throughout the United States. Why could not an American canal, built on the American Continent and with American money, be regulated by an American Congress? The answer was that political influences had summoned together a treaty-making body and that this country had sold the right to regulate the tolls, or, rather, given it away, through the Hay-Pauncefote Treaty.

In 1873 the American Government promulgated a law of greater consequence than any other monetary legislation ever enacted in its history. It adopted a policy of a change in the money system of this country which inevitably must lower commodity prices at least 25 percent. I am not going into the question now of whether or not this was a wise move. I am touching on the question, Why should the Congress of the United States pass such important legislation, so vitally affecting the welfare of the country, without debate? Why should we adopt a monetary policy without consideration?

I stand here and say to you that I have studied these records, and not only did we adopt this monetary policy without debate, not only did we adopt it without consideration but we adopted it without even knowledge of what we were doing! It was a piece of legislative trickery; it was a piece of work in the committee that was silent and secretive. Even members of the committee did not know what was being done, according to their own declarations. The President and Members of the House did not know they were acting on such a measure. But, as I have said before, the shadow of the hand of England rests over this enactment. Our CONGRESSIONAL RECORD, on page 2304 of April 9, 1872, contains the very significant announcement that—

> Mr. Ernest Seyd, of London, a distinguished writer, who has given great attention to the subject of mints and coinage, after examining the first draft of the bill, furnished many valuable suggestions, which have been incorporated in this bill.
>
> While the committee take no credit to themselves for the original preparation of this bill, they have given to it the most careful consideration and have no hesitation in unanimously recommending its passage as necessary and expedient.

Who did prepare this bill and why this reference in the RECORD of Mr. Ernest Seyd, of London? Were there not American advisers, who could have conferred with this committee, of equal authority and knowledge? Were there not American advisers equally informed as to the interests of the United States? What was the interest of England in this legislation? It was to have an enactment as it was made. What was the interest of the United States? It was exactly the opposite of this. At that period the interests of the United States were to formulate a sound monetary system, one adapted to the changing conditions in the world due to the demonetization of silver in Europe. It was to our interest to adopt a monetary system that could maintain a stable purchasing power for the profits of our resources; a system which could maintain a stable commodity price level, and a system that could maintain a sound dollar, recognized as a desirable money unit in the markets of the world.

Our problem today is exactly the same as our problem then. We are just 60 years late in addressing ourselves to this issue. This Nation stands on the brink of a precipice because of this delay, and yet we are so flooded with propaganda to prevent us from addressing ourselves to the subject that our whole Nation is engulfed with it. We must know without delay who the Ernest Seyds are who are acting in an advisory capacity in this Nation today, and we can know this only through an investigation by Congress. No man would dare oppose such an investigation who was not a traitor to this country. We are merely proposing here to protect this country. We are not making any charges or accusations against any specific individual or group of individuals. We are merely taking the precaution to avoid that history shall repeat itself. But, so far as I personally am concerned, I wish to say that I cannot make a satisfactory investigation as an individual citizen, and I find myself confronted by stone walls in any individual effort made to turn the propaganda that is flooding this Nation from assertion into fact and from mystification into simple truth. The country is full of mystification. The country is full of falsity and confusion caused by this subtle propaganda. This comes from somewhere. Things do not exist without a prior cause. There is a cause for these things; but, above all, there is a source of power to the opposition for an American program and an American plan which will assure to America that due protection to our monetary system and to our economic interests that is compatible with our position in the world. [Applause.]

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend by remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. GUEVARA. Mr. Speaker, I ask unanimous consent to extend in the RECORD a statement regarding the sugar industry of the Philippines, prepared at my request by the Honorable Rafael Alunan, president of the Philippine Sugar Asso-

ciation and formerly secretary of agricultural and natural resources and secretary of finance of the Government of the Philippine Islands.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. YOUNG. Mr. Speaker, Andrew Jackson's victory at New Orleans was won 119 years ago today—January 8, 1815.

He was the son of penniless Irish immigrants born 2 years after they landed in North Carolina. Nowadays we are more exclusive. Under the strict immigration laws of today that Irish couple would be considered undesirable aliens and Andrew Jackson would never have seen the light of day in America.

He was born on the frontier—in the forest field of God—in a humble log cabin.

One window shuts out the snow and storm,
One window greets thee day.

"Old Hickory" was a great soldier. His victory at New Orleans is one of the most remarkable battles in history. The English army outnumbered Jackson's forces. The American losses were 13. In half an hour the English had lost 2,600 men, including their commander, Sir Edward Pakenham, a brother-in-law of the Duke of Wellington.

As a soldier he saved a vast territory for his country. As a Democrat, he smashed the Second United States Bank and ended a dangerous monopoly. As President, he defeated the South Carolina nullification ordinance. As President, when France, then as now, a government of crooks and defaulters, repudiated her just debt to the American people, he proposed that American warships seize French ships by force on the high seas and credit the prize money to her account. France, of course, paid her debt because Andrew Jackson was stern and unyielding in his determination to serve the American people and maintain the dignity of America and because he was right.

He was a soldier, Congressman, Senator from two different States, judge, President of the United States, implacable champion of the dignity and honor of his country, and preserver of the Union. He never turned his back to a friend nor his face from a foe. He was the idol of the common people. His spirit still lives and goes marching on. [Applause.]

Mr. FIESINGER. Mr. Speaker, I ask unanimous consent to address the House for 40 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. FIESINGER]?

There was no objection.

Mr. FIESINGER. Mr. Speaker, I listened with great interest to my distinguished colleague from Ohio, Mr. LAMNECK, and I also listened intently to the distinguished gentleman from Maryland, Mr. GOLDSBOROUGH, who spoke immediately after the opening of the session today. I was impressed with at least two things which the gentleman from Maryland said. You will recall the gentleman spoke about Professor Sprague, who was in the Treasury Department as adviser to the Treasury after he came as adviser for the Bank of England. He was also monetary adviser to the Economic Conference in London. I have no fault to find especially with Dr. Sprague as far as his honesty is concerned, or as far as his patriotism is concerned. I know Dr. Sprague personally, but I want to say to you that it is dangerous to have the monetary policy determined by experts of the Government. The power to control the value of money is a more important power than the power of taxation. The constitutional fathers placed the power of taxation only in this body and nowhere else.

Mr. McFADDEN. Will the gentleman yield?

Mr. FIESINGER. I yield.

Mr. McFADDEN. The gentleman then concurs that that power is solely, under the Constitution, in the Congress and cannot be delegated to anyone?

Mr. FIESINGER. I was just going to remark that very thing, that the power to "coin and fix the value of money" is solely within the power of the Congress of the United States and it cannot be delegated to anybody else in the world.

Mr. McFADDEN. Will the gentleman yield further?

Mr. FIESINGER. I do.

Mr. McFADDEN. What does the gentleman say in regard to the delegation of that power to the Federal Reserve System?

Mr. FIESINGER. Does the gentleman mean the Constitution?

Mr. McFADDEN. No. What does the gentleman think of Congress delegating that power to the Federal Reserve System?

Mr. FIESINGER. I say it is illegal. I say it is unconstitutional, as far as it affects the value of basic money. Power to control credits may be in a different class.

Mr. McFADDEN. The gentleman recognizes that that was done, does he not?

Mr. FIESINGER. Well, I think I recognize that fact; but it may be that Congress intended to delegate banking and credit control and not the control of the basic money values.

Mr. McFADDEN. The Federal Reserve System has the power to issue Federal Reserve notes, which circulate as money?

Mr. FIESINGER. It has. Of course, they are promises to pay. They are credits or I.O.U.'s of the bank.

Mr. McFADDEN. And that power was delegated by Congress in the Federal Reserve Act.

Mr. FIESINGER. Yes, sir; with the intent to regulate the volume of credit.

Mr. McFADDEN. And is being pursued by them, which gives the Federal Reserve System control over the money and credit in the United States.

Mr. FIESINGER. And thereby ability to at least influence the price level, which is a greater power than the power of taxation.

Mr. McFADDEN. The gentleman knows that, in addition to the control of money and credit, the Federal Reserve System has other powers which they exercise from time to time for the purpose of affecting price levels?

Mr. FIESINGER. Certainly. But I contend the power as to credits did not necessarily include the power as to basic money. That power has been assumed. Congress should assert its constitutional powers and take back the management of the money base.

Mr. MOTT. Will the gentleman yield?

Mr. FIESINGER. I yield.

Mr. MOTT. What does the gentleman say about the delegation by Congress to the President to fix the value of money, under the farm bill?

Mr. FIESINGER. I think it was illegal, and the President did not want it. It was forced upon him. He never asked to have that amendment attached to the farm bill. It was forced upon him, and he is exercising the power because he was forced to exercise it; a power that he never wanted, and I say it is all illegal and unconstitutional.

Mr. McFADDEN. Will the gentleman yield further?

Mr. FIESINGER. I yield.

Mr. McFADDEN. The gentleman has made a statement of his acquaintance with Dr. Sprague.

Mr. FIESINGER. Yes.

Mr. McFADDEN. If the gentleman has been familiar with the activities of Dr. Sprague over the history of the Federal Reserve System, he well knows that Dr. Sprague has been in all of the conferences, practically, between the Bank of England, officers of the Federal Reserve bank in New York and other central banks, which have had for their purpose the dealing with national and international price levels. That was one of the functions that he was exercising as expert adviser of the Bank of England.

Mr. FIESINGER. Now, I understand that Dr. Sprague at the London conference was willing to peg the dollar to the British pound at $3.50, and, if he had done that, the price levels in America would have been in the control of the Bank

of England, and it would have been so low it would have wrecked our national economy.

Mr. LAMNECK. Will the gentleman yield?

Mr. FIESINGER. I yield.

Mr. LAMNECK. Will the gentleman please insert at this point what Dr. Sprague said about who should control the price level?

Mr. FIESINGER. I may say—I did not expect to answer that question, but Dr. Sprague, in a conference he had, stated he believed that the value of gold should be controlled by the British, because they were more competent, from banking experience, so to do.

Mr. LAMNECK. Will the gentleman yield further?

Mr. FIESINGER. I will yield.

Mr. LAMNECK. He also made that statement after he was working for the United States as an adviser, did he not?

Mr. FIESINGER. He did.

Mr. McFADDEN. Will the gentleman yield further?

Mr. FIESINGER. I yield.

Mr. McFADDEN. The gentleman just stated that Professor Sprague was in favor of stabilizing the dollar at a $3.50 basis at the London Economic Conference.

Mr. FIESINGER. I understand so. The gentleman from Maryland [Mr. GOLDSBOROUGH] said that in his speech. I did not know just what the figure was, but I have him for authority for that statement.

Mr. McFADDEN. Of course, the real facts in the case, I think the gentleman well understands, are that the British were not in favor of that, because it interfered with their world-trade relations and their ability to hold and continue to trade with the world on a basis that was favorable to Great Britain, but they are perfectly willing to stabilize on the basis of $4 or $4.05, and that is what they tried to do.

Mr. FIESINGER. Which would give them the trade of the world and lock up our doors as far as international trade is concerned. Why should we bind ourselves to England at any fixed value in terms of British bank-controlled paper money? In this bill (H.R. 1577) now under discussion we, as a Nation, can control this important matter. We have the power to control it as an American policy. We do not have to tie ourselves to foreign management of money any more than we had to tie ourselves to the Federal Reserve bank. Credits are for banks—money is for Congress. This would have been a tragic mistake had these experts led us into an agreement with England in this matter.

Mr. McFADDEN. If the gentleman please, it would have cost the people of the United States hundreds of millions of dollars a year.

Mr. FIESINGER. Absolutely. I would say not only hundreds of millions, but billions of dollars.

Mr. MOTT. Will the gentleman yield again while he is answering questions?

Mr. FIESINGER. Yes.

Mr. MOTT. The gentleman stated that the President was forced to accept the inflation amendment on the farm bill. Can the gentleman state who, in his opinion, forced the President to accept this amendment?

Mr. FIESINGER. It is only an opinion of mine. I was in Congress at the time and I knew what was going on. I think it was done in the Senate by certain Senators, and I think back of them there were certain interests which advocated it.

I really do not know just what the mechanics were. But my deduction is that the President did not want this power, that it was rather forced on him; and I think, subconsciously at least, he recognized that this power belonged to the House of Representatives, and resides nowhere else under our form of government.

Mr. MOTT. Does the gentleman think the President is going to use the power conferred upon him by that amendment?

Mr. FIESINGER. I shall make no predictions about it. But I may say I think the President is perfectly honest and honorable, and that his heart is in tune with the interests of the American people on this subject. The representatives of the people, however, are entitled to exercise this power, and no one else. There is a danger in delegating it to economic experts whose interests the people do not know.

Mr. MOTT. In view of what the gentleman has said, does not the gentleman think the inflation amendment to the farm bill should be repealed at this session?

Mr. FIESINGER. I would say so. I think it is unconstitutional. A constitutional duty cannot be delegated, and it is a duty under the Constitution that Congress coin money and regulate the value thereof. This bill (H.R. 1577) is the only bill, however, yet offered which truly can claim to control and regulate the value or buying power of gold.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. FIESINGER. Certainly.

Mr. McFADDEN. Is the gentleman of the opinion that the power given by Congress at the special session which gave the President the right to lower the gold content of the dollar unconstitutional?

Mr. FIESINGER. I think so; absolutely—and I think, if we had time to discuss the matter here, the whole theory could be exploded as against the interests of America.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield further?

Mr. FIESINGER. Certainly.

Mr. McFADDEN. In connection with this policy which is now being carried out, if the gold content of the dollar is lowered 50 percent through the purchase of gold by the Reconstruction Finance Corporation——

Mr. FIESINGER. Right there, let me interrupt the gentleman from Pennsylvania. The gentleman says the policy is being carried out. There has been no step yet to revalue gold except what the Reconstruction Finance Corporation is doing.

Mr. McFADDEN. I appreciate that.

Mr. FIESINGER. The President might stop this thing right at this minute and we would not be involved in any way.

Mr. McFADDEN. I understand, but along with that I think the gentleman will agree there would have to be some Executive announcement to clarify the situation.

Mr. FIESINGER. I think so.

Mr. McFADDEN. Following such an announcement relationships would have to be established between the then dollar and the pound sterling and the franc, would it not?

Mr. FIESINGER. That is what I wish to discuss before the House. This bill, H.R. 1577, provides a remedy for this very situation. It avoids the necessity for any entangling agreements, and it gives us the power to regulate gold. If we control the buying power of the ounce of gold, we do not have to worry ourselves about pounds, or francs, or guilders, or any other gold currencies. That is the big point in this situation.

Mr. McFADDEN. Does not the gentleman feel, in view of the peculiar situation we are in now in this respect, such an announcement is a very important function in connection with it?

Mr. FIESINGER. It is of vital importance. Here is another important thing about that. I voted against the gold bill here. I think I was the only one in the Ohio delegation who voted against that bill, although there may have been two of us. Around the House at that time the talk was that the British lower courts had held it could pay its gold contracts with English paper money. Two or three weeks ago, however, the House of Lords reversed those decisions of the lower courts. What kind of a mess will this country be in if we devalue and then the Supreme Court holds that so-called "gold clause contracts" must be paid in gold "of the present weight and fineness", according to the contracts? It would wreck every corporation in this country which has outstanding contracts of this kind. Mr. Speaker, it is a very serious matter we walked into here, and I hope before we get through the President will retrace his steps.

If it were not for the solution to this problem, clearly provided in this bill, it would be very serious. But this bill is of no avail unless we debate it and understand it and act on it.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield further?

Mr. FIESINGER. Certainly.

Mr. McFADDEN. It is evident from the situation that now exists in regard to the purchase of gold and the change of value of the gold dollar that this country must and will inevitably go back to a gold basis.

Mr. FIESINGER. Absolutely. That is what this bill provides—a way to do. We can go back on the gold basis and at the same time provide American machinery for holding gold at the 1926 price level.

For the benefit of those Members who came to the Seventy-third Congress and were not Members of the Seventy-second Congress, permit me to say that in the Seventy-second Congress the Committee of Coinage, Weights, and Measures made an exhaustive study of the so-called "money question." I was a member of the committee and of the subcommittee and devoted a great deal of my time to the study of that question. The committee made a study covering several months. Many witnesses were called in, not a few of whom bore very distinguished names because of their activities in economics, commerce, and finance. This study was directed more from the world viewpoint, to see what bearing, if any, the legislative enactments and monetary policies of other countries had upon our domestic economy. We studied the question of the sufficiency of the gold supply, the causes of the erratic movements in gold, its rarification, the stagnation of world commerce and domestic trade, the disease of unemployment, underconsumption, and lack of purchasing power. In short, we ran the whole gamut to find out if possible the basic cause of the depression.

But what I would like to emphasize is the important fact that this study reaped a harvest in results. Not only have we a bill before Congress which, in a very practical and very simple way, gives an American plan for controlling gold buying power but also we have a full report from this committee.

The committee announced its findings to the House on May 14, 1932, in House Document 1320, giving its views as to the cause of the depression, and I am sorry to say that so little publicity has been given to this report that probably not more than two or three men now in the hearing of my voice, outside of the members of this committee, ever read that report. Yet it is one of the most important documents, in my judgment, that ever issued from a committee of Congress. I think the gentleman from Pennsylvania [Mr. McFADDEN] read it, if I am not mistaken. I believe the gentlemen from Ohio [Mr. LAMNECK and Mr. WEST] read it; three Members within the hearing of my voice. I want to read this to you now since you would not read it yourselves. I want to read to you what the committee said was the cause of the depression:

> The committee, through the weight of testimony, has learned that the major depressions have followed governmental action which directly resulted in the dislocation of money and through it, of commodity values, or, in other words in the destruction of profits from productive industry. Profits reduced when the general commodity price level is suddenly lowered by whatever cause and completely wiped out when the price level goes below the cost of production. The position of the United States has shifted as a result of the World War from a debtor to a creditor Nation. As a result of this, the profit from our productive industry has assumed greater inportance as it establishes through investment as well as consumption the basis of a market for our manufactured products. The maintenance of a condition of prosperity in the United States is, therefore, accentuated to the point that the restoration of productive industry to a profit-earning basis is of transcendental importance. To convey this idea, in other words, we would say that the purchasing power of money must be brought back to normal, and, to do this, the causes of disequilibrium in money must be removed. Our investigation has revealed that certain European nations, in an effort to protect their manufacturing industries by affording a better cost basis through lower prices of raw materials and foodstuffs, suddenly, and either inadvertently and unintentionally or quite deliberately, depressed the world commodity price levels below the point that admits of any profit to the American producer. We find that this result has followed directly and definitely from certain governmental acts, the effects of which are clearly traceable so that all the important facts are well sustained by the evidence we have gathered.

That statement was made a long time before we did anything about it. I am not saying that the House did nothing. It did recognize rather early in 1932 that the purchasing power of money must be brought back to normal. Or to state it in another way, that the commodity price level must be raised, by its overwhelming vote on the Goldsborough bill in May or June of that year. Except for certain action on the part of our Federal Reserve authorities, nothing was done until President Roosevelt came into power when he boldly proclaimed that the 1926 price level must be reestablished. I am in thorough accord with him in that objective, although I may disagree with him in the details of its accomplishment.

He recognizes the fact that the purchasing power of money must be brought back to normal, that gold has been rarified in value, that all other commodities and services have been depressed correspondingly in the other direction because gold is the yardstick of measure for values. I step in at that point and say here we have solved his problem. I say we have in this bill this remedy. We have worked out the solution. We can control gold and without foreign complications, and here in this bill is how we can do it. His treatment, so far as has been revealed, does not go to the extent of controlling gold or even of lowering the value of gold as a supreme world commodity that measures the value of all other commodities and services that are exchanged internationally between gold-standard countries.

And here is the crux of the whole problem. There is a difference in the interest of nations. Some nations, and the United States is a conspicuous example as such, produce more of the prime commodities than their domestic needs call for, as well as manufactured articles—and when I say prime commodities I mean foodstuffs and things that are to be processed by manufacture. Other nations are more in the nature of consumers of these products. All nations are in some degree producers of prime commodities, yet their consumptive abilities far outweigh their productive capacities, and their interest is to get as cheaply as possible the things needed for consumption. If this is so, and I do not think it will be disputed by anyone, then the interest of such nations is to strive for a level of prices that will give them advantage in the things that they have to buy.

And that being so, the European nations are always working for a lower price level for prime commodities and foodstuffs than we can afford to take and maintain the economic structure or the wealth structure of the United States. In this respect nations are no different than individuals; we all want to buy cheap the things we have not and need, and sell dear the things we have and do not need. The United States is or should be a great seller, and being a great seller it should protect its interest as a seller. In saying this, I say nothing disparaging of other nations who may be buyers; they will look out for themselves. And they should look out for themselves. I applaud them for looking well to the interests of their people as very evidently they do.

In my study of price levels with this committee and the study I have been able to make since, I find that the economic power in price levels is the greatest power the nations can contend for, and while I find European nations are active and alert to guard their interests in the matter of price levels, I also find with regret and, I might say, alarm, that we are asleep at the switch. And, mind you, it is the duty of this Congress and all the Members of this Congress to guard against the actions and also against the force of organized propaganda which may be exercised by foreign nations who seek to reduce the price level so that they may buy the things that we produce more cheaply. It is to their interest so to do, and to the interest of the majority of their people. But it is to the interest of the vast majority of our people to protect world price levels from their manipulations.

If it is in our power and I claim that it is to protect ourselves as sellers, and if we do not do so then we have no one to blame but ourselves if our domestic economy is wrecked. We are attempting now to help ourselves as sellers, but in a negative way. We are limiting production to help our position as a seller; well that is one way to do it. But somewhere in the world someone is needing that production, and if that is true, then the trouble is not the lack of need, but ability to satisfy the need. I realize needs must be reciprocal otherwise there can be no satisfaction, but will anyone say that America has no needs.

I was told not so long ago that in a rather small community in my district—industrial in its nature—there were 500 persons without shoes to wear. The citizen of Turkestan is not the only one whose ribs are showing through. Limitation of production is not the permanent cure, restoring of profits to agriculture, industry, and commerce is the one and only permanent cure. And that brings me back to price levels; in order to have a profit you must have a price level above the cost of production, and I do not mean a domestic price level but a world price level, because the domestic price level is influenced if not determined by the world price level of things that we have to sell abroad. The committee found that the world price level was depressed, by certain nations "inadvertently and unintentionally or quite deliberately." What did the committee mean by that? It meant that something happened to the money of the world. Some of this money was rubbed out, so to speak, thereby placing a greater strain or duty upon the balance. How was that world money rubbed out? Silver is a part of the world's money system. Silver has in many places a money use equivalent to gold. I do not mean in governments alone but in thousands of corporations and not in silver-standard countries alone, but also silver has a monetary use in certain gold-standard countries.

And I know that when I mention the word "silver" immediately there comes into the mind of many: Well, he is going to talk Bryanism, 16 to 1. So, to give you an idea as to just what I mean, let me express it in the language of one of the international bankers. This is a letter that he wrote to Senator BORAH in pamphlet form. I think probably all of the Members of this House have received a copy of this pamphlet. It is dated December 1, 1933:

> In my first draft of my letter of November 28 to you I had included a paragraph on silver. I subsequently took it out because I was afraid that the mere mention of silver in a proposal to modernize the gold standard would lead to an exaggerated stress being laid upon that feature of it. I agree with you that the stabilization in terms of gold of a metal that is used for money by more than half of the world's population is a most important element in achieving international monetary stability.

Silver is a part of the world's monetary system, as Mr. Warburg says, but he hates to mention it, and I have been given the devil many times for mentioning it. Permit me to say that I have no interest whatever in silver, and I do not know of any of my friends who have an interest in silver. The first time I ever saw a silver mine was last summer when I visited out in the State of Nevada with my good friend, Governor Scrugham. He showed me a silver mine, and I assure the Members of the House that I bought no stock in the mine and that I have no interest in any silver mine or in silver. I have not bought any silver on the stock exchange with the idea that it would go to 75 cents an ounce, where some people seem to want it to go, including our distinguished colleague from Maryland when he said this afternoon that if you put silver in at 75 cents an ounce it would be all right.

I am speaking of silver in an entirely different way. I am looking upon silver as a master key to the prosperity of gold-standard countries.

I was astonished when I awoke to the true understanding of silver. The importance of this understanding of silver to the Members of this Congress cannot be exaggerated. And the main criticism I have to the advocates of 16 to 1 silver coinage is that they are blocking the road. They are confusing the issue. They are proposing something that is so open to objection and so full of fallacies, if I may say so, that they are themselves obstructing silver legislation. Silver is the master key to depressions and an American plan for using silver as sound money will place that master key in the hands of this Nation. And 16 to 1 will not do it.

What is this relation to silver? After the war many of the European nations debased their silver coinage. And the British Government after hearing the report of the Hilton Young Commission placed India upon a gold basis. This gave a source from which they collected and placed upon the market quite a large quantity of silver. France performed a similar operation in Indo-China. The sale of that silver had a definite effect upon the world's money base, an effect that is well known and well understood outside of the United States but an effect that is very little understood within the United States. It caused a strain upon gold that rarified its value and depressed all other commodities in the world. People all over Asia, as well, no doubt, as elsewhere, bought gold exchange and other gold equivalents, which forced pressure on gold, and then sold silver down from 65 cents per ounce to 25 cents per ounce, which rubbed out nearly 4 billion dollars of the world's money base in the form of silver values.

This naturally increases in the same proportion gold values, just as was predicted that it would, by no less an authority than Montagu Norman, of the Bank of England, when he was called before the Hilton-Young Commission in London in 1926.

Mr. WHITE. Will the gentleman yield?

Mr. FIESINGER. Yes; I yield to the gentleman from Idaho.

Mr. WHITE. The gentleman said that England put India on a gold basis.

Mr. FIESINGER. Yes.

Mr. WHITE. Was that a gold-exchange basis?

Mr. FIESINGER. It had been up to 1926 upon what is known as a gold-exchange basis; that is to say, its currency was based on British pounds that were in turn based upon gold, but there was one step of pyramiding there.

Mr. WHITE. In the operation of the gold-bullion basis, the Indian had to bring in $8,000 in gold to get redemption, did he not?

Mr. FIESINGER. I am not informed as to the exact details whether it was $4,000 or $8,000. It took quite a large transaction for gold to be delivered for currency. But the point I am making is this. The change gave the Bank of India a basis for canceling the silver rupee notes and reissuing the new notes. This released the silver bullion, and when it was sold it destroyed billions of dollars' worth of values in the silver money base of the world, and since silver and gold are interchangeable, or, as Montagu Norman puts it, since "there is an interaction between gold and silver" our banks got the pressure, our real-estate and security values, and we now know how that was passed down the line from one thing to another.

Mr. WHITE. When such redemption is made, it is a fact, is it not, that the Indian gets gold bullion and not gold coin?

Mr. FIESINGER. Exactly. I thought I said that they were on the gold-bullion basis. The point I wish to make is that it was the sale of the silver from 65 cents to 25 cents per ounce which put the corporations of Asia out of silver and into gold or gold equivalents. You cannot destroy a part of the money base without increasing the pressure on what is left. History has no other story to tell no matter how far back you may go.

The value of the world's money base can be protected just as it can be upset and the purpose of this bill is to afford that protection.

If you will study this bill you will find that the struggle to corner, scramble for, and hoard gold would cease. The world commodity price level would rise under the control Congress has set in this bill, profits would ensue instead of losses. Banks would open their doors to productive enterprise, labor would be employed to reconstruct the world in the new era, the farms of America would again help to feed and clothe the world. Instead of going further in debt the farmer could pay his debt from his profits.

The gold standard, which has gone "haywire", would be restored to a new and improved gold standard. It would be brand new, not the old gold standard of the international bankers, but the gold standard of the people. It would be a standard fair to consumers and producers, debtors and creditors, with a stable purchasing power for the dollar for a generation, as advocated by the President. It would eliminate the necessity of managed currencies issued by foreign banking institutions, such as the Bank of England. Or the necessity for a paper dollar tied by agreement to the English paper currency. It would put sound money issued

by the United States in competition with foreign bank notes. We could stand this competition. We could regain our market with it.

Those who want our things will pay a fair price, and they will pay the price under this bill in terms of world wealth and not in terms of artificial currencies. Let me emphasize this point. Our markets will bring us more wealth, not more dollars of lesser value which will not increase the real value received.

We have a lot of talk about currency experimentation through silver. You would get the impression through sources that are half-informed that I would deal here with the currency. That this bill would inflate the currency; that this is silver inflation; or that it is currency inflation.

That is not the correct picture. I propose, in this bill, not to deal with currency at all, but to deal with the monetary base. I would not deal in experimentation with this money base. I would stop experimentation. I would protect the full value monetary wealth of the world (gold and silver) from manipulation, and I would protect it by the guarantee that this bill gives that it will be held stable in value and that it cannot any longer be subjected to the kind of action reported to Congress by our committee. This bill puts the United States Government as a sentinel, to watch over, to guard, and to protect the money base from manipulation of the international bankers of Europe.

And I say to the Congress that, if Congress will give the world a sound and stable money base, it will then be possible for our Banking and Currency Committees to give us a sound and stable currency founded on this stable money base. The trouble with the world's national currencies is they have been built up upon a foundation of sand, due to the fluctuations of the purchasing power of the precious metals which constitute the world's money base. We need to restore to the world a sound and stable money base. This bill aims to do it. If it will not do it, I will be indeed thankful to any Member who will show me why not and in what respect it will not.

We can build up the silver base to take the pressure off of the gold base exactly as England and France have torn down the silver base and thereby increased the pressure on the gold base.

We are all familiar with the results of this thing. Now, let us study the causes and the remedy proposed in this bill to cure these causes.

Mr. McFADDEN. Will the gentleman yield?

Mr. FIESINGER. Yes.

Mr. McFADDEN. The gentleman has referred to demonetization of silver in the Far East.

Mr. FIESINGER. Yes.

Mr. McFADDEN. Is the gentleman aware of the fact that before demonetization took place it was a matter of conferences between the heads of the central banks of the world and the head of the Federal Reserve Bank of New York, and that, undoubtedly, Dr. Sprague sat in those conferences as the adviser of the head of the Federal Reserve Bank of New York?

Mr. FIESINGER. I have no information about that, but that would be fairly inferrable from the finding of the committee. [Applause.]

[Here the gavel fell.]

(Mr. FIESINGER asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. SWANK. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER pro tempore (Mr. CLARK). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SWANK. Mr. Speaker, many times have I addressed this House on the subject of agriculture and have always supported all legislation for bettering conditions of our farmers and working people. Do what you will, build as you may, but there can be no return to prosperity until agriculture is rehabilitated. With a prosperous agriculture there is no depression and everybody enjoys that prosperity to which they are entitled. Agriculture is our basic industry and the one upon which all other business depends. Farmers are the only people in this country who produce the necessities of life. Many of the comforts and luxuries we could live without, but we have to have things to eat and wear, and they are produced on the farm. When we assist agriculture we help all lines of business. Our farmers are the only business men who can continue to produce at less than cost. Farmers work as hard as ever, are honest and patriotic, and are entitled to a fair rate of profit upon the products of their toil. They have worked faithfully along with our other citizens for the success of our national recovery program.

I supported the Agricultural Adjustment Act in the last Congress, and believe much good has resulted from the operation of that measure, but also believe that additional supplemental legislation should be enacted in order to have complete recovery from this depression. January 15, 1932, I introduced H.R. 7797, known as "The Swank-Thomas cost of production bill", which is endorsed by the National Farmers' Union program and sponsored by that organization. This bill, under no. H.R. 3208, was also introduced in the first session of the present Congress, and I have introduced the same bill, with some modifications, in the present session, no. H.R. 6165. This bill provides that it is declared to be the policy of Congress to secure to farmers a price not less than cost of production, including a reasonable profit, of any agricultural product which is needed for domestic consumption. The Secretary of Agriculture is authorized and directed to make public the part of the domestic production of any agricultural product needed for domestic consumption. The bill provides that such portion shall be sold at a price not less than cost of production, including a reasonable profit, as determined by the Secretary of Agriculture. The surplus, if any, shall be exported, withheld from market, or otherwise disposed of, as directed by the Secretary of Agriculture.

The bill provides that the Secretary of Agriculture shall license purchasers of agricultural products and provides that no person shall carry on any business specified in the announcement unless he has obtained a license. The bill makes it unlawful for any licensee to purchase that portion of any agricultural commodity needed for domestic consumption at a price less than cost of production, including a reasonable profit. The bill provides a penalty for violations of this provision. The bill permits an interchange or barter of agricultural commodities among producers or others for purposes of domestic consumption.

The Department of Agriculture states that the cost of producing cotton, wheat, corn, and oats for 1930, 1931, and 1932 is as follows:

	Cotton	Wheat	Corn	Oats
	Cents per pound	*Per bushel*	*Cents per bushel*	*Cents per bushel*
1930	16.0	$1.09	89	54
1931	9.1	.81	61	42
1932	9.0	.75	49	36

Mr. Speaker, I do not believe anyone will contend that the farmer is not entitled to the benefits provided in this bill. The measure does not provide that the farmer shall receive only cost of production but it provides that he shall not receive less than cost of production, including a reasonable profit. If the market price is more, the farmer would receive that price for his products.

Mr. Speaker, I have had much experience in agriculture and can figure cost of production. I believe any person who will take the time to figure this cost and include everything that the farmer puts in his crops will soon see that the figures on cost of production, as given by the Department of Agriculture, are too low. These figures do not include any profit. In January 1932 the National Farmers' Union, National Grange, and the American Farm Bureau Federation all endorsed this cost-of-production provision. These organizations understand the farm problem.

I wish to call the attention of the House to what is known as the "Frazier bill", H.R. 2855, introduced in the House by

the gentleman from North Dakota [Mr. LEMKE]. I filed a motion in the first session of this Congress, which motion is now on the Speaker's desk, to discharge the Committee on Agriculture from further consideration of the bill and to bring it before the House for consideration. This bill provides that farm indebtedness and mortgages now existing may be liquidated and refinanced through real-estate mortgages on the amortization plan at 1½-percent interest and 1½-percent principal per annum, and through mortgages on livestock used for breeding or agricultural purposes at 3 percent per annum, through the Federal farm loan system and the Federal Reserve banking system. The bill provides that the money shall be derived by the issuance of 1½-percent bonds which, if not sold, and they will not be sold at that rate of interest, will be presented by the Federal Farm Loan Board to the Federal Reserve Board, as a basis for issuing Federal Reserve notes or paper money to loan direct to the farmers. I understand that the legislatures of 20 States have passed resolutions asking Congress to enact this bill. All Members of the House who believe that the Frazier bill would be of assistance in liquidating farm mortgages are respectfully asked to sign the motion and bring the bill before the House for consideration.

The National Farmers' Union, in convention in Omaha November 20, 21, 22, 1933, endorsed the Swank-Thomas bill, the Frazier bill, and the Wheeler bill, providing for the remonetization of silver. The legislative program of the National Grange says:

> Justice and the national interest alike demand that all arbitrary and artificial price boosting in industry must stop until farm prices are brought to an equality with industrial prices.

The Agriculture Adjustment Act, approved May 12, 1933, contained an amendment offered by Senator THOMAS of Oklahoma, providing for the issuance of United States notes not to exceed $3,000,000,000. The amendment also gives the President power to reduce by proclamation the gold content of the gold dollar by as much as 50 percent, and personally I would like to see this provision put into effect, because we need a greater amount of money in actual circulation among our people. I believe that the remonetization of silver will be one of the greatest boons to agriculture and to recovery in general. This would greatly increase our export trade with foreign countries and therefore assist in bringing about better prices for agriculture.

Mr. Speaker, in times of depression agriculture is the first business hit and is usually the last to recover. This administration has gone further in granting relief to agriculture and on the question of inflation of our money system than any other administration, and has done more for the common people of our country. While we all have our individual views, we must remember that there is more than one road to town. I believe the President of the United States is doing his utmost to take our Government from the hands of the selfish interests and restore it to the people. None of these bills are perfect and they will doubtless need amendments. I believe the enactment into law of the Swank-Thomas bill, the Frazier bill, remonetization of silver, and the Thomas amendment to the Agricultural Adjustment Act, in connection with the acts now in force, will soon bring us to a complete recovery. [Applause.]

(Mr. SWANK asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. SHOEMAKER. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SHOEMAKER. Mr. Speaker, ladies and gentlemen of the House, we have heard a lot of talk today about money in the hands of the people. Personally, I have not any, and that is one reason for the poverty I am in.

I am going to talk about several things that the House should be familiar with and know about. I am going to talk about imperialism in Latin America, not by Great Britain in India or Japan in China, but our own imperialism in Latin America that the people should be familiarized with.

But before I take up that subject, I want to call the attention of the House to what the United States of America has been doing with reference to the purchase of American-made goods. It may interest you to know that the biggest purchaser of foodstuff is the United States Panama Canal Commission, which supplies the Army and the Navy. It might interest you to know that the Panama Canal Commission is one of the biggest merchants in the world. It supplies the ships going in through the Canal, the great crossroads of the commerce of the world.

It may interest you to know that our Government has been selling Cuban beef to these ships that go through the Canal. Not only that, but we have been buying tons and tons of butter from New Zealand and Australia and selling it on the Panama Canal Zone. We have been buying livestock and selling the beef to the ships that pass through. Not only that, but there are 50,000 employees on the Canal Zone. There are in the neighborhood of 10 to 15 thousand soldiers and sailors there, and we are buying foreign goods and selling them to these people, soldiers, and sailors. I think you ought to know about it, I think the President should know about it, and I think the War Department and the State Department should know about it.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. SHOEMAKER. Certainly.

Mr. COCHRAN of Missouri. Does not the gentleman know that there is a law that prohibits that very thing?

Mr. SHOEMAKER. I am familiar with it, but I want to say that the law is not obeyed.

Mr. COCHRAN of Missouri. The law prohibits that very thing and requires the purchase of American goods.

Mr. SHOEMAKER. But they are not doing it. When the international bankers were confronted with a critical situation in Cuba they went into Cuba and foreclosed on the beef cattle and sold them out—unloaded them on the United States Government. Not only that, but God, in His infinite wisdom, was kind enough to have one ship flounder and several thousand dollars worth of these goods went overboard.

Another thing that you ought to know about are the conditions that exist down there on the Canal Zone. They are conditions which ought not to exist.

Ladies and gentlemen, do you know that the United States of America has practically not one friend among the Panamanian people, a people whose friendship we should encourage, a people who in time of war would be our greatest asset, a people who should have the very greatest confidence in the United States of America. Yet as a people they have no confidence in the United States. I do not know whether you gentlemen know it, but for over 20 years the Panamanian Government has plead, has sought, has beseeched America under the treaty to allow the Panama Government to build a highway across the Isthmus of Panama, not on the Canal Zone, which is leased and operated by the United States of America, but upon their own property, and they have been refused that request. They have been denied that request. They have started work. They have even gone so far, in order to get some means of transportation, as to put in a barge line from Pedro Miguel Locks to Gatun Lock, to haul freight, and they were absolutely put off Lake Gatun and denied the right to use their own lake on their own property outside of the Canal Zone for commercial purposes.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. SHOEMAKER. Yes.

Mr. MOTT. Will the gentleman tell us what jurisdiction the United States Government has to prohibit the Panamanians from building a road across the Isthmus outside the Canal Zone?

Mr. SHOEMAKER. Yes; I can.

Mr. MOTT. What is it?

Mr. SHOEMAKER. The arrogance of the Department down there that has told them they could not do it.

Mr. MOTT. What difference would it make if the Department did tell them so? I ask the gentleman what jurisdiction the United States Government has over the Panama Republic, so far as building that road is concerned.

Mr. SHOEMAKER. Under a treaty between the United States and the Republic of Panama, Panama is forever kept from having an army or armed forces. They can have no more than a police force, and that must be limited to 1 man for every 30 inhabitants of an incorporated city, and the Panamanian people are not in a position to face the bayonets of the United States marines and build a road such as they want.

Mr. MOTT. The gentleman has not answered my question. I asked him what jurisdiction the United States would have to prohibit the Panama Government from building a road across the Isthmus in the territory of the Panama Republic outside of the Canal Zone, and I ask the gentleman if he is stating to the House that the United States Government did prohibit the Panamanians from doing that?

Mr. SHOEMAKER. They did prohibit them from building the road, and I will tell you what authority they had. Under the old grant given to the Panama Railroad in the early days, before the days the French tried to dig the Canal, the Colombian Government granted that road when it was built the exclusive right to transfer freight and materials back and forth across the Isthmus. Under the old charter they are saying that if the Panamanians build a wagon road across the Isthmus of Panama it will take business away from the railroad company, which is owned by the United States Government. Does that answer the question?

Mr. MOTT. It does not. I am asking the gentleman how the United States Government can prohibit the Panamanians from building a highway across the Isthmus, not in the Canal Zone but in the territory of the Panama Government.

Mr. SHOEMAKER. The same jurisdiction under which they stepped into Nicaragua and into Santo Domingo and Haiti and every other country in their imperialistic way and told those people of Latin America what they wanted and what they must do, for American capitalists.

Mr. MOTT. I don't think the gentleman has answered my question, and I am inclined to doubt whether the Government of the United States ever issued such an order or attempted to prohibit the building of such roads outside the Canal Zone.

Mr. SHOEMAKER. I am authorized to say here this afternoon at the behest of several members of the Panamanian Cabinet, the President's Cabinet, that there lies earmarked in the Bank of Panama $1,000,000 which has been appropriated and set aside for the purpose of building a road from Gatun Lock to Madden Dam by the Government of Panama and that if that money is not put to use within the next 30 days another rainy season will be on and the people of Panama will be forced to use that money to feed their poor, and they have offered to the United States Government that they will build the road according to the surveys already made by the United States Army engineers and will give the United States Government full privilege and right to use that road any time for military or other activities in behalf of the United States of America.

Mr. MOTT. The gentleman is talking about territory in the Canal Zone. Gatun Dam and Madden Dam are both in the Canal Zone. I am talking about a road across the Isthmus of Panama in the Republic of Panama.

Mr. SHOEMAKER. There are 24 miles left to be built that can be built, which is partly on Panama territory and partly on Canal Zone territory, which they offer to the United States Government, and have $1,000,000 appropriated to do it, but they have been refused the right to build that road.

Mr. MOTT. That refusal is a very different thing than the refusal to build a road across the Isthmus in Panamanian territory.

Mr. SHOEMAKER. They have also refused them to build a road across the Isthmus on their own territory and on their own lands, because of that old franchise given to the Panama Railroad Co. almost a hundred years ago.

Mr. MOTT. I think Congress would be very much interested in having the documentary evidence to that effect.

Mr. SHOEMAKER. That is why I am making this speech now, in the hope that they will get it.

The greatest landowner of the Republic of Panama is the United States Government. The United States Government owns the city of Colon, Panama. It receives rental from every foot of ground in that city, and the real estate thereon at the expiration of the leases reverts to the United States Government, or to the Panama Railroad Co., its subsidiary.

It might interest you to know that Panama has no land-tax law, and the Senate of Panama refuses to tax its own citizenship a land tax on their farms and their agricultural pursuits so long as the greatest landowner in the Republic pays no taxes to the Panamanian Government. That is, the United States of America, which owns the city of Colon.

Not only that, but to show the arrogance that has been exercised on the Canal, the United States of America pumped the bottom out of the sea in Colon Harbor and built up a territory, on Panamanian soil, in the Canal Zone, known as "New Cristobal", when it had a strip of land 10 miles wide, beautiful locations for home sites for employees, and so forth. This shut off the view of the Panamanians who lived in Colon.

In addition to that, this Congress appropriated $720,000 to build a high school for the children of the employees in the Panama Canal Zone. United States Government officials in charge, took that $720,000 and built a high school upon the soil and territory of the Republic of Panama. When this school was completed, this is what happened: They put the American flag up on the high school. It made the Panamanians so irate that they organized a vigilante committee of patriotic Panamanians and they went and tore down the United States flag from the schoolhouse, which was built in the Republic of Panama, and in which the Republic of Panama children were denied the right to use the school.

In addition to that, it might interest you to know that the women of the Canal Zone have been putting up a terrible fight in Panama because of the moral conditions which exist there. It might interest you ladies and gentlemen to know that the United States of America is the owner of the land and is leasing blocks and blocks of land in the city of Colon, upon which brothels are built, and running openly in defiance of all moral law and human decency. The United States Government each month is collecting money and revenue from the sale of womanhood in the city of Colon.

Here is another thing that possibly some of you people do not know, and that is that the United States Federal law down on the Isthmus, in the Canal Zone, provides for an age of consent of 13 years. The age of consent down there is 13 years. It was only a short time ago that an officer, a policeman, a United States Government policeman, holding the same jurisdiction as a policeman in the District of Columbia, attacked a girl 13 years of age. He was about to be tried for rape, and I say to you that when the court came into session he proved the girl was 2 months over the age of 13, and so the charge of rape was dismissed, and a charge of adultery was brought in and a small fine was levied by the court.

It is almost time this Congress raised the age of consent above 13 years on United States Government property.

Here is another situation: We appropriated in this country, through our Recovery Act, between 6 and 7 million dollars for the purpose of eliminating some of the unemployment down in the Canal Zone. It might interest this Congress to know that from 85 to 95 percent of that money is being paid out to British subjects who are aliens, not citizens of the United States in any sense of the term. This money is being paid out to them, and practically the only Americans receiving any of this money are the supervisors and foremen in the construction of the projects down in the Canal Zone and the Army barracks and things supplementary thereto. These people are Jamaicans and Bahamians and citizens of Barbados, who are British subjects,

brought over there, and therein lies another bone of contention so far as the United States and the Government of Panama is concerned. The United States Government has imported these Jamaican colored men to come in there from the day the Canal started, and also Martiniques. They have come there and they have worked for the United States Government. As soon as they are through with those employees they tell them, "We do not want you any more. You have to get off the Canal Zone." The outcome is that those people who no longer have work on the Canal Zone are forced out of the Canal Zone, and they flock into the cities of Colon and Cristobal, in the Republic of Panama, and they are a serious problem for the Republic of Panama, because they are then upon their charity lists.

They are not citizens of either the United States or of Panama; but the United States Government simply orders them outside of the Canal Zone, and the Panamanian authorities have them on their hands. Fifty percent of the inmates of the insane asylums of the Republic of Panama are Jamaicans and Barbadosians who worked on the Canal in the Canal Zone, but who are not citizens of Panama. They are thrown upon the Government of Panama for support after the United States of America has cast them out.

Panama has made an arrangement with the British Government whereby the British Government says to Panama, "If you will prove to us that the mother of such-and-such a child is of Jamaican descent or Barbadosian descent, we will let you send them back; but you must land them in Jamaica, in Kingston, or in Barbados with $10."

The Panamanian Government has asked the United States Government on several occasions for $150,000 to help their own government defray the expenses of sending these aliens to the countries where they belong so they will not be public charges, but they have been turned down on that repeatedly.

Now, this is the situation that exists, a situation which confronts the American people. While we talk about the action of Great Britain in India, or Japan in China, of the Belgians in the Congo, and various other national relationships, we are allowing to grow up and become established a condition, a situation, that actually exists in Central America which makes practically every nation on the face of the earth point the finger of shame toward us, and ask what right the United States has to talk about the suppression of inferior peoples, the sacred rights of smaller nations, and so forth, and so on.

Now, Mr. Speaker, the question is how long will Congress allow this thing to exist?

I made a statement to the press upon my return from Panama several weeks ago, and immediately the War Department and the State Department came out with a denial, saying that the Panamanians could build a road across that Isthmus if they wished. I challenge right now either the War Department or the State Department to make that a public, official statement, signed by their officials, and send it to the President of Panama. If they will do so, I can assure them this road will be started within the next 10 days, will be under construction, and Panama will be able to put its unemployed citizens to work and spread out that $1,000,000 entirely to the benefit of Panamanians and use it toward opening a vast territory which is now absolutely untapped so far as means of transportation are concerned. It will put this money to constructive work; and the United States of America and its armed forces, whether in time of war or in time of peace, will have full use of this highway from coast to coast.

Mr. BROWN of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. SHOEMAKER. For a question; yes.

Mr. BROWN of Kentucky. Is the gentleman in favor of allowing foreign countries to build highways running into and across the Panama Canal, highways which can as easily be used to transport foreign cannon or other war-making devices as automobiles, and used against our interests?

Mr. SHOEMAKER. If that road were built, it would be, from a defense standpoint, one of our greatest assets, as has been testified to by members of the United States Army Engineers.

Mr. BROWN of Kentucky. Could it not be used just as easily as a means of offense?

Mr. SHOEMAKER. They have got to get it first. Our Army is there on the ground however. The Panamanians want this road and are ready to start its construction.

Mr. BROWN of Kentucky. But the gentleman just said they were all against us.

Mr. SHOEMAKER. Just a minute. I should like to make that offer——.

Mr. BROWN of Kentucky. That we are going to let them build that road?

Mr. SHOEMAKER. Yes; and show toward that people some little, decent courtesies instead of stepping on their necks.

I may say that several years ago a so-called "treaty" was prepared and handed to the Panamanian Senate with the thought they were going to railroad it through, but a Panamanian senator, Hermondo Arias, now President of the Republic of Panama, was the sole individual who stood up on the floor of the Senate of Panama and defeated that treaty. Furthermore, I may say that that treaty so embittered the Panamanians toward the United States Government, because it included a provision that in case of war the United States Government should have the power to draft and induct any Panamanian into the United States Army in defense of the Panama Canal—this engendered such hatred against the American people that the Panama Government upon six occasions has tried to take a census of their republic, but the people are so afraid of the taking of a census that when the Government sends anyone with census papers to fill in the Panamanians absolutely will not say a word or answer a question for fear that if they sign their names to that or give such information they are to be inducted into the United States military forces.

This is the condition that exists down there. I say it is wrong. I am calling it to the attention of this House because I feel the Members want to know about it, and I feel that something should be done about it. Here is a great people, the Panamanian people. I know them. I have been down there. I helped dig that little ditch called the Panama Canal. I worked down there. I rubbed elbows with these people, and I know they are fine people. I know if they were given any kind of consideration at all as being humans, you might say, we could develop a friendship and build a cooperation and coordination with the Government and the Army, which we are going to need eventually, because there are very important strategical points in the Panama Canal, in Gatum Dam, in the Panama Railroad, and various other places, where one bomb would put the railroad or the canal out of business for transporting our Army or Navy back and forth across this isthmus. Just one bomb exploded on that railroad where it goes through Gatun Lake for miles and miles on a narrow roadbed would absolutely cripple the canal. So I say that the biggest thing the United States could have would be a road across Panama over which they could transport their equipment and supplies, and so forth, in defense of our interests in that canal.

Mr. BROWN of Kentucky. Mr. Speaker, will the gentleman yield right there?

Mr. SHOEMAKER. I yield.

Mr. BROWN of Kentucky. Was it to Gatun Lake they wanted to run this highway of which the gentleman spoke?

Mr. SHOEMAKER. Yes.

Mr. BROWN of Kentucky. And the gentleman says one bomb thrown over into the lake would wreck the whole Panama Canal?

Mr. SHOEMAKER. Absolutely, so far as the transportation system is concerned.

Mr. BROWN of Kentucky. What is to hinder an enemy from traveling this road in a high-powered car and dropping a bomb from the car?

Mr. SHOEMAKER. The road would be controlled. Does the gentleman know anything of the topography of that country?

Mr. BROWN of Kentucky. I was not down there this summer.

Mr. SHOEMAKER. That is why the gentleman asked the question.

Mr. BROWN of Kentucky. I would like to know if it is not true that were such a highway built an enemy of the Government could drive over it in one of these 90-mile-an-hour automobiles and drop a bomb over the side of the car?

Mr. SHOEMAKER. I want the gentleman from Kentucky [Mr. BROWN] to know that the lay of the country down there makes it impossible to build a road anywhere along that canal that is not 4 or 5 miles back from Gatun Lake or back from the railroad. This happens to be true because of the topography of the country. They are not going to build any road right along the edge of the canal, because that would be impossible, and that would be just as dangerous with respect to being blown up as the present railroad or the dam or one of the locks.

It may also interest you to know that at one point there is a grade built across a ravine to hold the water in Gatun Lake, and this holds the lake level up to 87½ feet, and several years ago a British syndicate came in there under the ruse of a mining concession and received a concession from the Panama Government, and they now hold possession of that piece of land where just one little bomb would empty Gatun Lake and put its waters into the Atlantic Ocean in less time than you could tell about it.

Mr. BROWN of Kentucky. Did I understand the gentleman to say that this is going to be a north and south road?

Mr. SHOEMAKER. It is going to be a road across the Isthmus; yes.

Mr. BROWN of Kentucky. A north and south road?

Mr. SHOEMAKER. Yes; the canal runs north and south.

Mr. BROWN of Kentucky. If the road is 5 miles away, how is it going to cross the canal?

Mr. SHOEMAKER. The road will run parallel and not cross the canal.

That is by reason of the way the mountains zigzag over into the 10-mile zone.

Mr. BROWN of Kentucky. It is going to be a north-and-south road and never strike the Panama Canal?

Mr. SHOEMAKER. Yes; and I want to inform the gentleman from Kentucky that never in the history of the relations between the United States and Panama has the Panama Government ever refused to grant one request of the United States.

At the present time the United States of America is building a large dam and reservoir, called "Madden Dam" in the Chagres River, which is on Panama territory. A road has been built from Panama City to this dam to aid in its construction, and the road is built mostly upon land belonging to the Republic of Panama, and I think we might very well go as far as the Republic of Panama in at least being halfway decent and halfway civilized.

It might also interest Congress to know that every nation in the world is permitted to ship goods through the Panama Canal except Panama. The United States Government will not allow a Panamanian ship loaded at David on the west coast of Panama to go through the canal and deliver its cargo to Porto Bello on the east coast. Intercoastal traffic has been blocked entirely. How long shall we continue to discriminate against a small nation in this manner? How long will Congress tolerate these conditions? How long will we continue to furnish evidence of imperialism on our own part to be used by other nations against us? These are important issues that must be met by the American Congress some day. Let us clear up these injustices right now, so we will not be compelled to bow our heads in shame before the finger of accusation at the hands of other nations. Let us act now. [Applause.]

(Mr. SHOEMAKER asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. COCHRAN of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN of Missouri. Mr. Speaker, I have just had an opportunity to read—rather hurriedly, I admit—an advance copy of the annual report of the Postmaster General. While this was a confidential advance copy, nevertheless it is subject to release today. Therefore in referring to it I am not violating the release provisions.

I note with a great deal of interest that the Postmaster General makes a recommendation for additional legislation which will subject persons robbing, or attempting to rob, custodians of Government funds to the same penalties now provided for attacks upon the mails. I agree that such legislation is necessary, and will introduce the bill he suggests. The fact that there has been an increase of almost 600 percent upon the units of the Postal Service which handle Government moneys justifies this recommendation. These attacks in the main are instigated by gangsters who, of course, are not employees of the Postal Service.

I am rather astonished, however, to fail to find any recommendation in the report to curb the racket of fourth-class postmasters who have been robbing the Government for a good many years.

There are 33,000 fourth-class postmasters in this country. The great majority of these men and women are honest public officials, obeying the law and regulations to the letter, but there are thousands who, by the use of petty methods, have robbed the Government.

Shortly after the present Postmaster General assumed office I called his attention to these nefarious practices. I had several conferences with the officials and finally succeeded in getting an investigation started, which I hope has resulted in a discontinuance of the practices of which I complained.

The fourth-class office is an expensive one to the Postal Service, and assists materially in enlarging the deficit which the Postmaster General refers to in his report. This is because Congress has not for over 50 years changed the method of paying the fourth-class postmaster. Under existing conditions the fourth-class postmaster is paid upon the basis of cancellations of stamps at his office, plus money he receives for rent of boxes, issuing money orders, and so forth. The Department officials themselves are responsible for the statement that for every $100 in stamps canceled at fourth-class offices it costs the Government $140 in salary. On top of this be it remembered the Government must also pay to carry the mail to its destination.

In other words, during the last fiscal year according to figures I received from the Department, $19,450,000 was paid to fourth-class postmasters, and the total cancelation of stamps was $10,500,000. Here we paid nearly $9,000,000 above the amount of stamps sold for the privilege of delivering at additional cost $10,500,000 in mail matter. Several thousand rural postmasters engaged in these "rackets" I complained of were investigated by postal inspectors.

The irregularities charged to the postmasters whose records were scrutinized include such practices as sending heavy packages of merchandise and even bricks and boards by parcel post as a means of increasing their income from cancelations of stamps. Before the investigation is completed it is expected that many prosecutions and a large number of dismissals will result. This investigation has been under way in all sections of the country for the last several months. It is also expected many fourth-class offices will be discontinued and other arrangements made for handling mail.

Fourth-class postmasters, most of whom are in small villages, receive 160 percent on the first $75 of postage they cancel, 85 percent on the next $100, and 75 percent on all in excess of $175. To this compensation are added the rental of post-office boxes, and an allowance of 15 percent for rent, light, fuel, and equipment. They also receive a commission of 3 cents each on all the money orders they issue.

This method of compensating these rural postmasters prompts them to use various devices to increase cancelations. As I said, the more stamps they cancel, the greater their gains.

Inspectors assigned to the investigation by Postmaster General Farley reported that postmasters invented many schemes by which to swell their fees for cancelations.

With this purpose some of them have mailed bricks, gravel, oyster shells, milk, cream, walnuts, and other bulky but worthless articles. In general these packages were sent by parcel post to relatives of the postmasters. One postmaster wrote notes on pieces of board and sent them to a member of his family. Others who conducted stores sell groceries to their relatives and friends in other localities and by affixing sufficient postage on the bags and boxes insured their delivery by the rural carrier in his neighborhood. He not only received profit on his sales but also received from the Government the amount of stamps placed on the packages, plus the usual percent.

So eager are some postmasters to enlarge their commissions that they put stamps on the letters they write to the Post Office Department, although franked envelops are supplied to them for use in official correspondence. Why? Because they receive the amount of postage used.

I began my inquiry many months ago, after my attention had been directed to some of the sort of abuses I have described. Within 1 week I found that about 200 postmasters in Missouri and Illinois were shipping eggs to St. Louis by parcel post. These shipments comprised from 2 to 30 cases. In some instances postmasters sent cases of eggs by parcel post from Missouri to New York City. The charge for postage on these eggs was about $3. They could have been shipped by express for half that amount and by freight at still less cost. It cost the postmaster nothing to ship to New York, but on the contrary he received the amount of stamps used.

If a postmaster were to ship enough eggs by parcel post to require $75 in postage, he would not only not lose by the transaction but would instead receive back the full amount he paid for stamps and $45 besides.

I presented to Mr. Farley and Mr. Joseph C. O'Mahoney, former First Assistant Postmaster General, the facts I gathered. They at once instituted a Nation-wide investigation. This inquiry has already corrected abuses in many places and will undoubtedly in the end result in a discontinuance of such practices. Mr. Farley and Mr. O'Mahoney had an opportunity to see the nature and the extent of this "racket." For instance, they found that postmasters in Kentucky and West Virginia were using the parcel post to transport cases of eggs from their communities to Washington, Baltimore, and New York. The mail charges averaged $1.50 or more a case and were naturally very much higher than would have been the expense of shipping them by express. The principal purpose in mailing them at all was to benefit the postmaster in dollars and cents while the Government took the burden. Is there any wonder we have a postal deficit?

There were 33,528 fourth-class postmasters on July 1 this year.

In an attempt to secure definite information as to the volume of business and the amount paid fourth-class postmasters I called for statistics from the Post Office Department. I quote from one report. This is on the fiscal year ended July 1, 1933:

> To sum up the situation, we estimate that the total payments at fourth-class offices for all purposes, including compensation to postmasters, mail-messenger service, special-delivery fees, and separating mail allowance, was a total of $19,450,000, and these payments were made on total cancelations estimated to have been $10,500,000.

Phrased otherwise, the Government spent all the revenue it derived from these post offices and nearly nine millions besides to pay the postmasters. Over and above this outlay for handling the mail at these rural offices, the Government was compelled to assume the cost of carrying it to and from them.

It is time to change the law fixing the pay of these fourth-class postmasters. They should receive salaries graduated in amount to correspond with the volume of business they handle. These fourth-class post offices should in many cases be abolished, and what is known as rural stations should be substituted for them. Proprietors of stores in small communities are eager to serve as postmasters. They know that many persons who visit the post office are also potential buyers of merchandise from the store.

Revision of the pay of such postmasters and correction of the questionable practices of many of them would undoubtedly prevent or greatly reduce the loss at present incurred by the Government in handling of mail in the fourth-class offices.

I need hardly repeat that the large majority of postmasters of whatever grade are honest and faithful public servants. The records of the past and the developments in the investigation now in progress emphasize this fact. But the system is defective and grossly expensive, and should be abandoned. It happens also to be a grave temptation to many men and women who administer it in the fourth-class post offices. The Postmaster General's investigation, when complete, will unquestionably reveal the necessity for a quick and thorough reformation.

For many years prior to 1877 the fourth-class postmasters were paid in proportion to the stamps they sold. In order to increase their earnings many postmasters disposed of stamps at a discount in large cities, knowing that they would be fully reimbursed in the higher pay they would receive in consequence of heavier sales. The report of the Third Assistant Postmaster General in 1878 exposed this malfeasance and the law was changed.

The taxpayer cannot be expected to remain silent when he knows that postmasters have shipped by parcel post bundles of ordinary kindling wood costing in some instances 40 cents to mail when the wood disposed of sells for 5 or 10 cents when it reaches its destination.

It is hard for one to conceive that a postmaster would ship oyster shells, bricks, produce of every kind, especially perishable vegetables, by parcel post, paying postage far in excess of the value of the shipment, but the investigation of the post-office inspectors discloses this to be a fact.

While I was talking with a post-office official about this matter a letter was brought to his desk. It was an official letter from a fourth-class postmaster, who had placed a stamp over the frank which would have carried the letter without postage. The official informed me that some of them even register an ordinary letter. Postmaster General Farley has inherited this situation, and I am sure he is going to cure it. From my conversation with post-office officials I was convinced that an honest return from a fourth-class postmaster should always be below the amount of stamps actually sold at the station, but it was disclosed that the report of cancelation generally equals the sales and in some instances exceed the sales.

Last September the Postmaster General referred briefly to this matter in a speech before a postmasters' convention at Rochester. He said then that legislation would be recommended to curb the evil; but as it does not appear in his annual report, I will request that the necessary legislation be submitted to me so I can introduce the bill. I propose to prepare an amendment in the form of a limitation to be offered when the appropriation bill is before the House which will prevent the use of any money appropriated for the payment of salaries to fourth-class postmasters who send through the mail any matter that they would not send if they were not holding the position of postmaster. [Applause.]

(Mr. COCHRAN of Missouri asked and was given permission to revise and extend his remarks in the RECORD.)

MESSAGES FROM THE PRESIDENT OF THE UNITED STATES

NINTH PHILIPPINE LEGISLATURE

The SPEAKER laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

As required by section 19 of the act of Congress approved August 29, 1916, entitled "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, and to provide a more autonomous government for those islands", I transmit herewith a set of the laws and resolutions enacted by the Ninth Philippine Legislature during its second special session, January 16–31, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

TWELFTH LEGISLATURE OF PUERTO RICO

The SPEAKER also laid before the House the following message of the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes", I transmit herewith certified copies of two volumes of laws enacted by the Twelfth Legislature of Puerto Rico during its fourth and fifth special sessions, October 18–21 and November 11–16, 1932, respectively, and by the Thirteenth Legislature of Puerto Rico during its first regular session, February 13 to April 15, 1933, and its first special session, August 1–14, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

CONSTRUCTION OF HIGHWAY IN NORTHWESTERN PART OF THE UNITED STATES WITH BRITISH COLUMBIA, THE YUKON TERRITORY, AND ALASKA (H.DOC. NO. 212)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Roads and ordered printed:

To the Congress of the United States:

I transmit herewith the report made by the American commissioners appointed according to an act of Congress approved May 15, 1930. The act provided for their cooperation with Canadian representatives in a study regarding construction of a highway to connect the northwestern part of the United States with British Columbia, the Yukon territory, and Alaska. The work of the commission having been completed, its existence has been terminated.

FRANKLIN D. ROOSEVELT.

Enclosure: Report.

THE WHITE HOUSE, *January 8, 1934.*

PUBLIC SERVICE COMMISSION OF PUERTO RICO

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs and ordered printed:

To the Congress of the United States:

As required by section 38 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes", I transmit herewith certified copies of each of three franchises granted by the Public Service Commission of Puerto Rico. The franchises are described in the accompanying letter from the Secretary of War transmitting them to me.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

CIVIL SERVICE COMMISSION

The SPEAKER also laid before the House the following message from the President of the United States which was read, and, with the accompanying papers, referred to the Committee on the Civil Service:

To the Congress of the United States:

As required by the act of Congress to regulate and improve the Civil Service of the United States, approved January 16, 1883, I transmit herewith the Fiftieth Annual Report of the United States Civil Service Commission for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

PHILIPPINE INDEPENDENCE (H.DOC. NO. 209)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith for your information a copy of Concurrent Resolution No. 46, adopted October 17, 1933, by the Ninth Philippine Legislature during its third session, entitled "Concurrent resolution informing the Congress of the United States that the Philippine Legislature, in its own name and in that of the Filipino people, declines to accept the act of Congress, entitled 'An act 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', in its present form and appointing a committee to proceed to the United States at the earliest practicable time to seek amendments to said act of Congress, or the enactment of such new legislation as will fully satisfy the aspirations of the Filipino people to become at the earliest practicable date a free and independent nation, under conditions and circumstances that will not imperil the political, social, and economic stability of their country."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

REPORT OF GOVERNOR OF PUERTO RICO

The SPEAKER also laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

As required by section 12 of the act of Congress of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes", I transmit herewith for the information of the Congress the Thirty-third Annual Report of the Governor of Puerto Rico for the fiscal year ended June 30, 1933.

This report contains valuable information which it is believed should be available in permanent form. It has heretofore been customary for the President to recommend to the Congress the printing of the annual report of the Governor of Puerto Rico, the cost of such printing being charged against War Department appropriations. In the present case, however, due to special conditions not ordinarily obtaining, the Government of Puerto Rico has arranged to make available to the War Department a number of printed copies of the enclosed report, sufficient to meet the minimum needs of the Federal executive departments and also to supply a limited number of copies for the requirements of the Congress. In view of these facts and of the urgent need of effecting exceptional economies at this time, the customary recommendation for the printing of the annual report of the Governor of Puerto Rico is omitted.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

PERRY'S VICTORY MEMORIAL COMMISSION (H.DOC. NO. 211)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Library, and ordered printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Fourteenth Annual Report of the Perry's Victory Memorial Commission for the year ended December 1, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

ARLINGTON MEMORIAL AMPHITHEATER

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Public Buildings and Grounds:

To the Congress of the United States:

In compliance with the requirements of the act of Congress of March 4, 1921, I transmit herewith the annual report of the Commission on the Erection of Memorials and

Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

REPORT OF GOVERNOR OF THE PANAMA CANAL

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

REPORT OF COUNCIL OF NATIONAL DEFENSE

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Military Affairs:

To the Congress of the United States:

In compliance with paragraph 5, section 2, of the Army Appropriation Act, approved August 29, 1916, I transmit herewith the Seventeenth Annual Report of the Council of National Defense for the fiscal year ended June 30, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM (H. DOC. NO. 208)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith a report by the Acting Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1932, in connection with the Foreign Service retirement and disability system, as required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

(Enclosure: Report concerning retirement and disability fund, Foreign Service.)

VETERANS' REGULATIONS

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Congress of the United States:

Pursuant to the provisions of section 20, title I of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith certified copies of Executive Orders Nos. 6229 (Veterans' Regulation No. 1(b)), No. 6230 (Veterans' Regulations No. 2 (a)), No. 6231 (Veterans' Regulation No. 3 (b)), No. 6232 (Veterans' Regulation No. 6 (a)), No. 6233 (Veterans' Regulation No. 7 (a)), and No. 6234 (Veterans' Regulation No. 10 (b), approved by me on July 28, 1933.

These veterans' regulations amended the regulations approved by me on March 31, 1933, and June 6, 1933, and were issued in accordance with the terms of title I, Public, No. 2, Seventy-third Congress, "An act to maintain the credit of the United States Government", and Public, No. 78, Seventy-third Congress, "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

ALASKA TERRITORIAL LEGISLATURE

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Territories:

To the Congress of the United States:

In compliance with the provisions of the act of Congress approved August 24, 1912, I transmit herewith a certified copy of the Session Laws of Alaska, of the Alaska Territorial Legislature, 1933.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 8, 1934.*

CHILD-LABOR AMENDMENT

The SPEAKER laid before the House a communication from the Governor of the State of West Virginia announcing the ratification by the Legislature of that State of the proposed child-labor amendment to the Constitution of the United States.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. COOPER of Tennessee, for today, on account of illness.

To Mr. REID of Illinois, until further notice, on account of important business.

To Mr. MANSFIELD, indefinitely, on account of illness in hospital.

SENATE JOINT RESOLUTIONS AND BILLS REFERRED

Joint resolutions and bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J.Res. 15. Joint resolution extending to the whaling industry certain benefits granted under section 11 of the Merchant Marine Act, 1920; to the Committee on Merchant Marine, Radio, and Fisheries.

S.J.Res. 54. Joint resolution limiting the operation of sections 109 and 113 of the Criminal Code; to the Committee on the Judiciary.

S.J.Res. 59. Joint resolution to provide for the expenses of delegates of the United States to the Ninth Pan American Sanitary Conference; to the Committee on Foreign Affairs.

S.J.Res. 60. Joint resolution making an appropriation for an investigation of housing conditions and rentals in the District of Columbia; to the Committee on the District of Columbia.

S. 1286. An act to increase the efficiency of the Veterinary Corps of the Regular Army; to the Committee on Military Affairs.

S. 1654. An act for the relief of George Yusko; to the Committee on Military Affairs.

S. 1759. An act to extend the time for the construction of dams and dikes in Lincoln County, Oreg., to prevent the flow of waters of Yaquina Bay and River into Nutes Slough, Boones Slough, and sloughs connected therewith; to the Committee on Interstate and Foreign Commerce.

S. 1772. An act for the relief of the Western Montana Clinic, Missoula, Mont.; to the Committee on Claims.

S. 1867. An act authorizing an appropriation to provide for the completion of the George Rogers Clark memorial at Vincennes, Ind.; to the Committee on the Library.

S. 1869. An act relating to the manner of appointment of certain officers of the United States; to the Committee on the Judiciary.

ADJOURNMENT

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p.m.), the House adjourned until tomorrow, Tuesday, January 9, 1934, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

264. A letter from the Secretary of War, transmitting a report dated January 3, 1934, from the Chief of Engineers, United States Army, on preliminary examination of Flint River, Ga., authorized by the River and Harbor Act approved July 3, 1930, together with accompanying papers; to the Committee on Rivers and Harbors.

265. A letter from the Acting Secretary of State, transmitting a copy of the circular from the Nobel Committee of the Norwegian Parliament, furnishing information with reference to proposals of candidates for the Nobel peace prize for the year 1934; to the Committee on Foreign Affairs.

266. A letter from the president of the Board of Commissioners for the District of Columbia, transmitting a report of the official operations of the Commissioners of the District of Columbia for the fiscal year ended June 30, 1933 (H.Doc. No. 128); to the Committee on the District of Columbia.

267. A letter from the Secretary of the Interior, transmitting a list of leases of certain Government lands as required by the act approved March 4, 1931 (46 Stat., 1523; U.S.C., supp. V, title 30, sec. 226), amending sections 17 and 27 of the general leasing act of February 25, 1920 (41 Stat., 437; U.S.C., title 30, sec. 226); to the Committee on the Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. NORTON: Committee on the District of Columbia. H.R. 6181. A bill to control the manufacture, transportation, possession, and sale of alcoholic beverages in the District of Columbia; with amendments (Rept. No. 274). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK: A bill (H.R. 6525) to amend the act known as the "Perishable Agricultural Commodities Act, 1930", approved June 10, 1930; to the Committee on Agriculture.

By Mr. CHASE: A bill (H.R. 6526) to provide for the reestablishment of regional insurance offices by the Veterans' Administration, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SMITH of Washington: A bill (H.R. 6527) to authorize the Reconstruction Finance Corporation to make direct loans to approved firms and corporations for pay rolls and working capital; to the Committee on Banking and Currency.

By Mr. WALLGREN: A bill (H.R. 6528) to provide for the construction of works for flood control, the prevention of soil erosion, and the improvement of navigation in the Snohomish, Stillaguamish, Skagit, and Nooksak River Basins in the State of Washington; to the Committee on Flood Control.

By Mr. HEALEY: A bill (H.R. 6529) to provide the guaranteeing of the principal of bonds issued by the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. ELTSE of California: A bill (H.R. 6530) granting and confirming to the East Bay Municipal Utility District, a municipal utility district of the State of California and a body corporate and politic of said State and a political subdivision thereof, certain lands, and for other purposes; to the Committee on the Public Lands.

By Mr. CHRISTIANSON: A bill (H.R. 6531) prohibiting the importation of certain eggs into the United States; to the Committee on Ways and Means.

Also, a bill (H.R. 6532) prohibiting the importation into the United States of certain meats; to the Committee on Ways and Means.

By Mr. SWANK: A bill (H.R. 6533) to promote education, relieve economic distress and unemployment, and for other purposes; to the Committee on Education.

By Mr. SCRUGHAM: A bill (H.R. 6534) to provide for guaranteeing the principal of bonds issued by the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. HILL of Alabama: A bill (H.R. 6535) to provide for the exploitation for oil, gas, and other minerals on the lands comprising Fort Morgan Military Reservation, Ala.; to the Committee on Military Affairs.

By Mr. KELLER: A bill (H.R. 6536) creating the Cairo Bridge Commission and its successors to construct, maintain, and operate a bridge across the Ohio River at or near Cairo, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of Kentucky: A bill (H.R. 6537) to guarantee the principal of bonds issued by the Home Owners' Loan Corporation: to the Committee on Banking and Currency.

By Mr. DIMOND: A bill (H.R. 6538) authorizing the survey, location, and construction of a highway to connect the northwestern part of continental United States with British Columbia, Yukon Territory, and the Territory of Alaska; to the Committee on Roads.

By Mr. SWICK: A bill (H.R. 6539) to expedite the consideration and award of decorations by the War and Navy Departments for services in the Army, Navy, and Marine Corps during the World War; to the Committee on Military Affairs.

By Mr. MILLER: A bill (H.R. 6540) to provide for appraisal by the Farm Loan Commissioner and Federal land banks of land situated in levee, drainage, road, and other improvement districts and to prevent discrimination against such land; to the Committee on Agriculture.

By Mr. McSWAIN: A bill (H.R. 6541) to further promote national defense, and to amend the National Defense Act; to the Committee on Military Affairs.

By Mr. MILLER: A bill (H.R. 6542) to authorize the Reconstruction Finance Corporation to accept bonds issued by the Home Owners' Loan Corporation at face value in payment of obligations due it, and for other purposes; to the Committee on Banking and Currency.

By Mr. MALONEY of Connecticut: A bill (H.R. 6543) to amend Public, No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and public, No. 78, Seventy-third Congress, entitled "An act making appropriations for the executive offices and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BANKHEAD: A bill (H.R. 6544) to place the cotton industry on a sound commercial basis, and to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce; to the Committee on Agriculture.

By Mr. EVANS: A bill (H.R. 6545) to provide relief for damages caused by unusual floods in the State of California during the year 1934; to the Committee on Ways and Means.

By Mr. COCHRAN of Missouri: A bill (H.R. 6546) amending section 320 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. CARTER of Wyoming: A bill (H.R. 6547) to amend Public, No. 2, Seventy-third Congress, etc.; to the Committee on World War Veterans' Legislation.

Also, a bill (H.R. 6548) for the relief of veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; to the Committee on Expenditures in the Executive Departments.

By Mr. DIMOND: A bill (H.R. 6549) to authorize the incorporated town of Wrangell, Alaska, to issue bonds in any sum not exceeding $47,000 for municipal public works, including enlargement, extension, construction, and reconstruction of water-supply system; extension, construction,

and reconstruction of retaining wall and filling and paving streets and sidewalks; extension, construction, and reconstruction of sewers in said town of Wrangell; to the Committee on the Territories.

By Mr. McCORMACK: A bill (H.R. 6550) to remove the limitation on the filling of the vacancy in the office of United States district judge for the district of Massachusetts; to the Committee on the Judiciary.

By Mr. MALONEY of Connecticut: A bill (H.R. 6551) creating a postage stamp in honor of the commemoration of the one hundred and fiftieth anniversary of the founding of the Order of the Purple Heart; to the Committee on the Post Office and Post Roads.

By Mr. REILLY: A bill (H.R. 6552) permitting landowners who have suffered damages on account of prosecution and maintenance of the improvement of the Wisconsin and Fox Rivers, in the State of Wisconsin, to institute action in the Court of Claims or the United States district court for the recovery of such damages; to the Committee on the Judiciary.

By Mr. McSWAIN: A bill (H.R. 6553) to amend the act of June 15, 1933, amending the National Defense Act of June 3, 1916, as amended; to the Committee on Military Affairs.

Also, a bill (H.R. 6554) to establish a department of physics at the United States Military Academy, at West Point, N.Y.; to the Committee on Military Affairs.

Also (by request), a bill (H.R. 6555) to increase the efficiency of the Medical Corps of the Regular Army; to the Committee on Military Affairs.

Also (by request), a bill (H.R. 6556) 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.

Also (by request), a bill (H.R. 6557) 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, 1933' approved April 23, 1928", so as to include the Navy; to the Committee on Military Affairs.

By Mr. DIMOND: A bill (H.R. 6558) to authorize the incorporated town of Juneau, Alaska, to issue bonds in any sum not exceeding $100,000 for municipal public works, including regrading and paving of streets and sidewalks, installation of sewer and water pipe, construction of bridges, construction of concrete bulkheads, and construction of refuse incinerator; to the Committee on the Territories.

By Mr. CELLER: A bill (H.R. 6559) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

Also, a bill (H.R. 6560) to renew appointments to regular positions in the Government service; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H.R. 6561) to establish a 30-hour work week in all branches of the United States Government service; to the Committee on the Civil Service.

Also, a bill (H.R. 6562) to repeal legislation imposing salary cuts upon Government employees; to the Committee on Expenditures in the Executive Departments.

By Mr. McLEOD: A bill (H.R. 6563) to eliminate certain discriminations in the existing revenue laws pertaining to temporary dealers in beer and other malt liquors; to the Committee on Ways and Means.

By Mr. ELLENBOGEN: A bill (H.R. 6564) to amend the Home Owners' Loan Act of 1933, to revive the construction industry by financing the construction of new homes with bonds of the Home Owners' Loan Corporation, to guarantee the principal of and to give the circulation privilege to the bonds of the Home Owners' Loan Corporation, amend the laws relating to national banking associations and to Federal Reserve banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. HOEPPEL (by request): A bill (H.R. 6565) to equalize the pensions of widows of the Civil War, the Indian wars, the Spanish-American War, the Philippine insurrection, the Boxer rebellion, and the Regular Service; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H.R. 6566) to protect the currency system of the United States by requiring the transfer to the United States Treasury of all gold held by the Federal Reserve System; to the Committee on Banking and Currency.

By Mr. YOUNG: A bill (H.R. 6567) to release veterans from the liability to pay interest on loans secured by adjusted-service certificates, to provide for the refund of interest paid on such loans, and for other purposes; to the Committee on Ways and Means.

By Mr. DEAR: A bill (H.R. 6568) authorizing payment to the Red River, Atchafalaya, and Bayou Boeuf Levee District for acquiring certain levee rights-of-way for flood-control work; to the Committee on Flood Control.

By Mr. CARTER of Wyoming: A bill (H.R. 6569) 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 Mr. SABATH: A bill (H.R. 6570) to authorize the Reconstruction Finance Corporation to make loans to certain public-school districts; to the Committee on Banking and Currency.

By Mr. McSWAIN: A bill (H.R. 6571) to amend the act of May 22, 1928, "To authorize the collection, in monthly installments, of indebtedness due the United States from enlisted men, and for other purposes"; to the Committee on Military Affairs.

Also, a bill (H.R. 6572) to provide relief for disbursing officers of the Army in certain cases; to the Committee on Military Affairs.

By Mr. EICHER: A bill (H.R. 6573) to authorize the Secretary of War, upon the recommendation of the Chief of Engineers, to adjust, settle, and pay claims of drainage districts and levee districts for damages on account of increased seepage and/or increased cost of drainage resulting from certain improvements on the Mississippi River; to the Committee on Claims.

By Mr. McDUFFIE: A bill (H.R. 6574) to make inapplicable in Puerto Rico and the Virgin Islands certain Federal laws relating to intoxicating liquors; to the Committee on Insular Affairs.

By Mr. BRITTEN: A bill (H.R. 6575) to authorize the building up of the United States Navy to the strength permitted by the Washington and London Naval Treaties; to the Committee on Naval Affairs.

By Mr. ELLENBOGEN: Resolution (H.Res. 212) to create a committee to make a study and prepare legislation for the establishment of a uniform national old-age pension system on a contributory basis; to the Committee on Rules.

By Mr. MARTIN of Colorado: Joint resolution (H.J.Res. 220) to declare a contingent forfeiture of hoarded gold, gold coin, or gold bullion; to the Committee on Banking and Currency.

By Mr. SANDERS: Joint resolution (H.J.Res. 221) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

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. 6576) granting a pension to Lavinia McDonald Beard; to the Committee on Invalid Pensions.

Also a bill (H.R. 6577) granting an increase of pension to Martha D. McCabe; to the Committee on Invalid Pensions.

By Mr. CARMICHAEL: A bill (H.R. 6578) for the relief of Gordon McGee; to the Committee on Military Affairs.

By Mr. CRAVENS: A bill (H.R. 6579) granting a pension to Julia Pitts; to the Committee on Pensions.

By Mr. DUNCAN of Missouri: A bill (H.R. 6580) for the relief of Joseph J. McMahon; to the Committee on Military Affairs.

By Mr. FLETCHER: A bill (H.R. 6581) granting an increase of pension to Rachael A. Updegraff; to the Committee on Invalid Pensions.

By Mr. HOLMES: A bill (H.R. 6582) placing Cadet Adrian Van Leeuwen on the retired list; to the Committee on Military Affairs.

By Mr. LUCE: A bill (H.R. 6583) for the relief of William J. Whelan; to the Committee on Naval Affairs.

By Mr. LUDLOW: A bill (H.R. 6584) granting an increase of pension to Rebecca A. Wood; to the Committee on Invalid Pensions.

By Mr. MALONEY of Connecticut: A bill (H.R. 6585) for the relief of Robert R. Prann; to the Committee on Claims.

By Mr. MEAD: A bill (H.R. 6586) for the relief of Howard William Chadderdon; to the Committee on Naval Affairs.

By Mr. MILLER (by request): A bill (H.R. 6587) for the relief of Hirem Sutterfield; to the Committee on Claims.

By Mr. MOTT: A bill (H.R. 6588) granting a pension to Lemuel T. Wilson; to the Committee on Pensions.

By Mr. McCORMACK: A bill (H.R. 6589) for the relief of Joseph Peter Joyce; to the Committee on Naval Affairs.

Also, a bill (H.R. 6590) for the relief of Clarence Herbert Peltier; to the Committee on the Judiciary.

Also, a bill (H.R. 6591) for the relief of Francis Louis Nourse; to the Committee on Naval Affairs.

By Mr. McLEOD: A bill (H.R. 6592) for the relief of Louis Norton; to the Committee on Military Affairs.

Also, a bill (H.R. 6593) for the relief of Thomas J. DeManigold; to the Committee on Military Affairs.

By Mr. REECE: A bill (H.R. 6594) granting a pension to John C. Jones; to the Committee on Pensions.

Also, a bill (H.R. 6595) granting a pension to Venia Moody; to the Committee on Pensions.

By Mr. REILLY: A bill (H.R. 6596) for the relief of Maj. Lester L. Lampert; to the Committee on War Claims.

Also, a bill (H.R. 6597) for the relief of A. White; to the Committee on Claims.

Also, a bill (H.R. 6598) for the relief of the West Bend Brewing Co.; to the Committee on Claims.

By Mr. SUMNERS of Texas: A bill (H.R. 6599) for the relief of Joseph E. Moore; to the Committee on Claims.

By Mr. THOMASON: A bill (H.R. 6600) granting a pension to Elisha Wilson; to the Committee on Pensions.

By Mr. WEST of Ohio: A bill (H.R. 6601) for the relief of Lt. Charles E. Epson; to the Committee on Military Affairs.

By Mr. WILCOX: A bill (H.R. 6602) for the relief of Aurora Booth; to the Committee on Claims.

PETITIONS, ETC.

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

1491. By Mr. BAKEWELL: Resolution of the Department of Connecticut, United Spanish War Veterans, for the reenactment of the laws granting benefits to Spanish War, Philippine insurrection, and China relief expedition veterans, their widows and dependents, which were repealed by the passage of the Economy Act; to the Committee on Appropriations.

1492. Also, petition of Connecticut Branch, No. 29, National Rural Letter Carriers' Association, protesting against discrimination against rural carriers in the application of the so-called "Economy Act"; to the Committee on the Post Office and Post Roads.

1493. Also, petition of the National Association of Special Delivery Messengers, praying for a change in their present status as Government employees so that they may have a civil-service standing with a living wage; to the Committee on the Post Office and Post Roads.

1494. Also, petition of the National Federation of Post Office Clerks, Local No. 240, of Stamford, Conn., and others, praying for the restoration of pay standards for all Government workers reduced by the so-called "Economy Act"; to the Committee on Appropriations.

1495. Also, resolution of the Chamber of Commerce of Clinton, Conn., expressing confidence in the President's entire recovery program, including any readjustment of the prevailing monetary system necessary to complete his national recovery program; to the Committee on Coinage, Weights, and Measures.

1496. By Mr. CARTER of Wyoming: Memorial of the Twenty-second Legislature of the State of Wyoming, memorializing Congress of the United States to establish a Federal land-bank district composed of Intermountain States; to the Committee on Banking and Currency.

1497. By Mr. CUMMINGS: Memorial of the Senate of the State of Colorado, memorializing Congress to enact legislation restoring to the people of the United States the bimetallic monetary system of coinage; to the Committee on Coinage, Weights, and Measures.

1498. Also, petition of the Twenty-ninth General Assembly of the State of Colorado, commending and praising the monetary policies already adopted by the President and it hereby respectfully requests and urges the President to continue his present gold-purchasing plan and to add thereto a similar plan of silver purchases, and, if found feasible, to bring about the remonetization of silver and its free coinage at some reasonable ratio with respect to the gold dollar; to the Committee on Coinage, Weights, and Measures.

1499. By Mr. FORD: Petition of Spanish-American War veterans, asking for restoration of pensions, hospitalization, and same care as existed prior to enactment of Public, No. 2, Seventy-third Congress; to the Committee on Appropriations.

1500. By Mr. LAMBERTSON: Resolution adopted at the regular meeting of the Francis Willard Union, Woman's Christian Temperance Union, Leavenworth, Kans., urging favorable action on the Patman motion picture bill, H.R. 6097, providing higher moral standards for films entering interstate and international commerce, signed by the president, Mrs. Harriet Shelby, 712 Chestnut Street, Leavenworth, and its secretary, Jennie Shields, of Leavenworth, Kans.; to the Committee on Interstate and Foreign Commerce.

1501. By Mr. LINDSAY: Petition of Conservation Department, State of New York, Albany, favoring the so-called "duck stamp bill", H.R. 5632 and S. 1658, and recommending its passage; to the Committee on Agriculture.

1502. Also, petition of New York State Historical Association, proposing a Nation-wide celebration of the one hundred and fiftieth anniversary of the Federal Constitution in 1937; to the Committee on the Library.

1503. Also, petition of County Editor Publishing Co., Inc., Staten Island, N.Y., concerning taxation of spirits; to the Committee on Ways and Means.

1504. Also, petition of Marine Corps League, New York Detachment No. 1, Brooklyn, N.Y., recommending increase in personnel and advancement in the commissioned ranks; to the Committee on Military Affairs.

1505. Also, petition of Chamber of Commerce of the State of New York, New York City, recommending a reduction in expenditures and enactment of additional tax laws necessary to bring about a balanced Budget; to the Committee on Ways and Means.

1506. By Mr. PARKER: Petition of W. M. Burton, and other citizens, of Wayne County, Ga., asking the continuation of the Crop Production Loan Office to assist small farmers in financing their crops; to the Committee on Agriculture.

1507. Also, petition of citizens of Chatham County, Ga., asking the Federal Congress to enact legislation granting pensions to the aged and indigent citizens of the Nation; to the Committee on Pensions.

1508. By Mr. RUDD: Petition of Marine Corps League, New York Detachment No. 1, 16 Court Street, Brooklyn,

N.Y., favoring the strength of the Marine Corps be increased by 2,000 and that promotion of officers be made more rapid commensurate with the length of service; to the Committee on Naval Affairs.

1509. Also, New York State Historical Association, proposing Nation-wide celebration of the one hundred and fiftieth anniversary of the Federal Constitution in 1937; to the Committee on the Library.

1510. Also, petition of the New York State Conservation Advisory Council, favoring the passage of the so-called "duck stamp bill", H.R. 5632 and S. 1658; to the Committee on Agriculture.

1511. Also, petition of Chamber of Commerce of the Borough of Queens, City of New York, favoring certain amendments to the Securities Act of 1933; to the Committee on Banking and Currency.

1512. Also, petition of Chamber of Commerce of the State of New York, favoring a reduction in expenditures so far as practical and the enactment of additional tax laws to bring about a balanced Budget; to the Committee on Ways and Means.

1513. By the SPEAKER: Petition of H. F. J. Ravn, regarding claim in petition of December 6, 1933; to the Committee on Claims.

APPENDIX

Soviet Recognition

REMARKS

OF

HON. WILLIAM H. KING

OF UTAH

IN THE SENATE OF THE UNITED STATES

Monday, January 8, 1934

RADIO ADDRESS OF MATTHEW WOLL, VICE PRESIDENT AMERICAN FEDERATION OF LABOR, UNDER THE AUSPICES OF THE AMERICAN ALLIANCE OF THE UNITED STATES, DECEMBER 2, 1933

Mr. KING. Mr. President, I ask unanimous consent to have printed in the RECORD an address on Soviet recognition delivered over the National Broadcasting Co. network on December 2, 1933, by Matthew Woll, vice president of the American Federation of Labor, under the auspices of the American Alliance of the United States.

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

SOVIET RECOGNITION—ITS IMPLICATIONS

I am not optimistic as to our new relations with the Communist Government of Russia. Pleasantries in Washington have not changed the character of the Soviet Government. The pledge given by Maxim Litvinoff has not divorced the Third International from the Russian Soviet Government. These two and the Communist Party of Russia continue as the three joint elements of a unified communist control in which each of the three parties is incapable of independent action not in accord with the program and desires of the others.

It has been said that the United States secured from the Soviet Government terms more favorable than those given to any other nation by the Russian regime. That may be true. I have not studied all of the other Russian agreements. We are concerned with what is in this particular agreement, not in what may be in other agreements. This agreement, frankly, does not assure harmonious relations with revolutionary communism.

As a matter of fact, as long as communism is communism, as long as its philosophy remains what it has been and what it is bound to be, the conflict between communism and democracy must go on. They cannot stop it and neither can we. To think of it as stopped by an agreement signed by two men in Washington is to forget all of the lessons we have learned and to overlook all of the facts available.

There is in the Litvinoff agreement no promise to repudiate the communist philosophy, no promise to repudiate the doctrine that it is a communist obligation to deceive the rest of the world, no promise to repudicate the Third International, no promise to cease doing any of the things that have made communism the enemy of all the rest of the civilized world. There is no promise that raids on world markets will cease, no promise that underground methods will not be used to achieve those ends which may not be achieved openly. There is even no repudiation of the Moscow order, published in America while Litvinoff conferred in Washington, and which order was published in Moscow on Monday, October 23, by the Central Office of the Communist Party of the U.S.S.R., 2 days after the publication of the correspondence between President Roosevelt and President Kalinin. Omission of any reference to this Moscow order is all the more remarkable because of the bitter attack made in it upon President Roosevelt and the N.R.A. program. The fact that the American Federation of Labor was likewise attacked may perhaps be of little importance to some.

This document was headed "Roosevelt Starvation Program." It was printed in several languages, in the printing plant of an official soviet organ, and its text was officially approved by the Soviet Censorship Bureau. It was addressed to communists and revolutionary groups in the United States. It contained detailed orders and instructions to oppose President Roosevelt's program, to exploit the wave of discontent, to convert this discontent into a gigantic struggle of the proletariat against the Government, to formulate the plans for a counter-revolutionary program without delay and immediately to instigate open revolts, fights, and strikes against the administration's measures.

It is clearly evident that, regardless of recognition, regardless of promises given and pledges made, Soviet Russia is as determined as ever to create internal strife within our Nation and to foment world revolution. Instead of changing her tactics, in view of the recognition agreement, Moscow is pursuing her traditional tactics with renewed vigor and determination.

Perhaps the President had no recourse other than to recognize Soviet Russia. Perhaps there are unknown circumstances that required abandonment of the policy laid down by his distinguished Democratic predecessor and adhered to by all of the intervening Republicans. Perhaps there were reasons for recognition which outweighed at this time all of the original and all of the accumulated reasons for denying recognition. But even if we concede that there had to be recognition, we do not have to concede that there is nothing more to worry about. What I want to point out is that the time for worry has just begun.

Do I believe communist propaganda will cease? Most assuredly I do not. I am confident there will be plenty of communist propaganda, ordered in accord with the Moscow pattern and directed by the same dictatorial hand that rules the destinies of 160,000,000 enslaved people, for whom we have only the kindliest of feelings and warmest of friendships. Now is the time of our testing. We have opened the door, and something is bound to enter.

I urge, with all the emphasis of which I am capable, two things:

First, that before loans are made to the Soviets with which to finance purchases of commodities, that our loaning capacity to our own people be exhausted and that extension of national credits on our part be denied where we know such financial assistance will prove the ultimate disruption of the economic life of every other nation.

Second, that our Department of Justice be given the authority and the funds with which to observe the secret operations of Communist in our midst.

As to the first point, let me say that we still have millions of unemployed among our own people. I am not optimistic enough to believe that all of these will be employed this winter. Our primary obligation is to them. I am opposed to sending our wealth to our enemies abroad until our friends at home have been provided with enough.

Then, too, it must be borne in mind that foreign trade in Russia is a state monopoly. The whole industry, commerce, and activities of Russia are nationalized. The nature, quality, and prices of exports are decided by the state alone, and in an entirely arbitrary manner. The basic aim of Soviet foreign trade is the disruption of the economic life of what it chooses to call "capitalistic countries", and with the view of creating discontent and furthering world revolution. This was clearly manifested by Mr. Litvinoff in his statement at the Pan European Conference held in Geneva when he said:

"Owing to the special conditions of agriculture of Soviet Russia, as well as its monopoly of foreign trade, we are able to sell agricultural products 70 percent and even more cheaper than our capitalistic competitors."

This statement and implied warning were clear and definite. Russia understands well its power, and it is well that we understand that the intercourse between the United States and Russia is not only such as of countries engaged in mutual trade but chiefly as countries supplying the same market with identical products, such as grain, oil, etc.

Soviet Russia by underselling these products in Europe can and will impose irreparable injury to our farming communities. Why, then, should American taxpayers' money be loaned to an insolvent nation, a nation that is running constantly into the red and that has no regard for the ordinary conduct of decency observed by every other nation?

American labor is in complete accord with President Roosevelt in his utterance and attitude that it is utterly and entirely unsound to encourage a policy that would open markets in foreign lands through the lending of American money to these countries regardless of assurance or nonassurance of repayment of money so loaned.

As to the second point, I wonder how many Americans know that our Government today has no authority to conduct even the most cursory investigation into the secretive and subversive activities of Communism. I wonder, too, how many Americans know that the underground Communist Party in the United States has never been disbanded. Must our people be lulled to sleep by every whiff of fair words? I am no alarmist, but I do believe it is at times worth while to try to be a realist. I refuse to be fooled by Mr. Litvinoff, who is rated as the most successful of all Red diplomats. But if his success is to be our downfall, why need we cheer him as he moves from victory to victory?

Mr. Litvinoff evidently fooled many when he said the Communist Party of Russia is not concerned with the Communist Party of America. If that is true, is it equally true that the

Third International is concerned with both and will remain so? If that is not true and if the Communist Party in America is actually divorced by the Third International, then we shall have news worth the reading of all Americans.

In this connection it will be interesting to observe if the Soviet Government will carry out the suggestion made by Dr. Edmund A. Walsh on November 19. In his statement Father Walsh directed attention to the fact that an organization notoriously hostile to our country was residing on Soviet territory and housed in a government building not far from the Kremlin, and, therefore, not permitted to continue its life or activities under paragraph 4 of the Washington agreement. He well asks if the pledges made by the Soviet Government, through its commissar for foreign affairs, will be carried out in this and other instances.

If the Washington agreement, in its famous paragraph 4, means the severance of the tie between American communism and its Russian master, then let us have performance. Let it happen. It has not happened and, in my opinion, it will not happen, because, as in a long list of cases, the Soviet Government has stuck its tongue in its cheek and parrotted to the world, "the Russian Government does not control the Third International", while all the world goes on blinded to the truth out of its greed for trade.

I thank God the American Federation of Labor has never given way to greed in this long conflict of interests. We have been baited with the prospect of work, and we have needed work with an acuteness that can never be comprehended by those who have not needed work. But our ranks have never wavered on this issue. It is a record for all time and a record of which we are proud. We have not been for sale. Our conditions have been above price. And we have not changed our minds.

American labor is ever mindful of the fact that the Russian Communist Party is the superior of both the Russian Government and the Third International. And Stalin is the superior of the three. He is the czar of Soviet Russia. The individuals surrounding him are in office and complete control of these three organizations. We behold a unity, with three interdependent and interlocking parts. Should the Russian Communist Party decide to discontinue the use of the Third International as its vehicle for the propaganda of world revolution, there remain to be used some 15 other internationals, including first and foremost the Red International of Labor Unions, extending on down the line to the red youth international. All are of the one family, all bound to the same unholy purpose, all a part of the network through which communism works to accomplish its destructive purpose.

Now, from the viewpoint of the realist, why was recognition extended? Certain reasons seem evident, among which was the desire to curb the ambitions of Japan. Another reason which seems evident was the desire to promote export trade and, at that particular moment, to give our farm population some encouragement. If, in the absence of full information, we must concede something of soundness to the first of these, the second is, as I see it, purely mythical and, as I have tried to point out, may ultimately prove extremely injurious to our farmers as well as other groups in our land.

No person has yet been able to wring out of Soviet import statistics any encouragement of the recognition policy. Those statistics have shown us clearly as could possibly have been shown that recognition could gain us nothing in the way of new trade, even if our diplomatic policy were to be fixed on a basis so unworthy.

It has also been said that recognition was extended as a matter of friendship for the Russian people. But diplomatic relations are not relations between peoples; they are relations between governments. That and nothing else.

To my mind, every reason that was valid against recognition 2 months ago, and during all of the past 17 years, remains valid. However, recognition has been granted and we have now to save ourselves from its consequences, if we can. I do not have any belief that we are about to be destroyed. That is the argument of our opponents who find it easier to destroy straw men than it is to controvert facts. But I know that communist propaganda will continue, that recognition facilitates propaganda, and that nothing about the communist program, philosophy, or machinery has been changed. I think and hope I know enough not to be fooled by superficialities and the gloved hand of the Russian smirking diplomat whose object is not to get something for the masses, but to achieve an aim of government. The Communist machine does not love us more today than 2 months ago. The Communist war against our unions is no less vigorous. The Communist intrigue among all of our people is no less stealthy.

Is it not strange that when our Government opened negotiations with the Communists and likewise when it concluded them, there was not in possession of any department or bureau of our Government any evidence whatever of the operations and machinations of communism in the United States? There was no information about what this alien enemy was doing among us.

However, the die is cast. We are in friendship with our bitterest enemy. If this must be, then let us at least know what this enemy is doing. Let us not go forward in ignorance. One day we shall have to protect our democracy unless communism perishes from its inner weaknesses. Let us run America for our own people and let us know what our enemy does among us, for in knowledge we shall find strength when we most need strength.

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The President's Silver Proclamation

REMARKS
OF
HON. CARL HAYDEN
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Monday, January 8, 1934

PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES WITH RESPECT TO THE COINAGE OF SILVER, ALSO AN EDITORIAL BY RAYMOND MOLEY ENTITLED "JUSTICE FOR SILVER"

Mr. HAYDEN. Mr. President, I ask to have inserted in the RECORD the proclamation by the President of the United States with respect to the coinage of silver, and, as bearing upon that subject, an editorial by Raymond Moley entitled "Justice for Silver", in which a well-deserved compliment is paid to the senior Senator from Nevada [Mr. PITTMAN].

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

COINAGE OF SILVER

A proclamation by the President of the United States of America

Whereas by paragraph (2) of section 43, title III, of the act of Congress, approved May 12, 1933 (Public, No. 10), the President is authorized "By proclamation to fix the weight of the gold dollar in grains nine tenths fine and also to fix the weight of the silver dollar in grains nine tenths fine at a definite fixed ratio in relation to the gold dollar at such amounts as he finds necessary from his investigation to stabilize domestic prices or to protect the foreign commerce against the adverse effect of depreciated foreign currencies, and to provide for the unlimited coinage of such gold and silver at the ratio so fixed. . . ."; and

Whereas from investigations made by me, I find it necessary, in aid of the stabilization of domestic prices and in accordance with the policy and program authorized by Congress, which are now being administered, and to protect our foreign commerce against the adverse effect of depreciated foreign currencies, that the price of silver be enhanced and stabilized; and

Whereas a resolution presented by the delegation of the United States of America was unanimously adopted at the World Economic and Monetary Conference in London on July 20, 1933, by the representatives of 66 governments, which in substance provided that said governments will abandon the policy and practice of melting up or debasing silver coins; that low-valued silver currency be replaced with silver coins and that no legislation should be enacted that will depreciate the value of silver; and

Whereas a separate and supplemental agreement was entered into, at the instance of the representatives of the United States, between China, India, and Spain, the holders and users of large quantities of silver, on the one hand, and Australia, Canada, Mexico, Peru, and the United States on the other hand, as the chief producers of silver, wherein China agreed not to dispose of any silver derived from the melting up or debasement of silver coins, and India agreed not to dispose of over 35,000,000 ounces of silver per annum during a period of 4 years commencing January 1, 1934, and Spain agreed not to dispose of over 5,000,000 ounces of silver annually during said period, and both of said governments agreed that at the end of said period of 4 years they would then subject themselves to the general resolution adopted at the London Conference, and in consideration of such limitation it was agreed that the governments of the five producing countries would each absorb from the mines in their respective countries a certain amount of silver, the total amount to be absorbed by said producing countries being 35,000,000 ounces per annum during the 4 years commencing the 1st day of January 1934; that such silver so absorbed would be retained in each of said respective countries for said period of 4 years, to be used for coinage purposes or as reserves for currency, or to otherwise be retained, and kept off the world market during such period of time, it being understood that of the 35,000,000 ounces the United States was to absorb annually at least 24,421,410 ounces of the silver produced in the United States during such period of time.

Now, therefore, finding it proper to cooperate with other governments and necessary to assist in increasing and stabilizing domestic prices, to augment the purchasing power of peoples in silver-using countries, to protect our foreign commerce against the adverse effect of depreciated foreign currencies, and to carry out the understanding between the 66 governments that adopted the resolution hereinbefore referred to; by virtue of the power in me vested by the act of Congress above cited, the other legislation designated for national recovery, and by virtue of all other authority in me vested;

I, Franklin D. Roosevelt, President of the United States of America, do proclaim and direct that each United States coinage mint shall receive for coinage into standard silver dollars any

silver which such mint, subject to regulations prescribed hereunder by the Secretary of the Treasury, is satisfied has been mined, subsequently to the date of this proclamation, from natural deposits in the United States or any place subject to the jurisdiction thereof. The Director of the Mint, with the voluntary consent of the owner, shall deduct and retain of such silver so received 50 percent as seigniorage and for services performed by the Government of the United States relative to the coinage and delivery of silver dollars. The balance of such silver so received, that is, 50 percent thereof, shall be coined into standard silver dollars and the same, or an equal number of other standard silver dollars, shall be delivered to the owner or depositor of such silver. The 50 percent of such silver so deducted shall be retained as bullion by the Treasury and shall not be disposed of prior to the 31st day of December 1937, except for coining into United States coins.

The Secretary of the Treasury is authorized to prescribe regulations to carry out the purposes of this proclamation. Such regulations shall contain provisions substantially similar to the provisions contained in the regulations made pursuant to the act of Congress approved April 23, 1918 (40 Stat.L. 535), known as the Pittman Act, with such changes as he shall determine prescribing how silver mined subsequently to the date of this proclamation from natural deposits in the United States or any place subject to the jurisdiction thereof, shall be identified.

This proclamation shall remain in force and effect until the 31st day of December 1937 unless repealed or modified by act of Congress or by subsequent proclamation.

The present ratio in weight and fineness of the silver dollar to the gold dollar shall, for the purposes of this proclamation, be maintained until changed by further order or proclamation.

Notice is hereby given that I reserve the right by virtue of the authority vested in me to revoke or modify this proclamation as the interest of the United States may seem to require.

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

Done at the city of Washington this 21st day of December, in the year of our Lord 1933, and of the independence of the United States of America the one hundred and fifty-eighth.

[SEAL] FRANKLIN D. ROOSEVELT.

By the President:

WILLIAM PHILLIPS,
Acting Secretary of State.

JUSTICE FOR SILVER

In May I made a radio address describing my personal conclusions as to what the forthcoming London Economic Conference might be able to accomplish. Subsequently I published the substance of this address in a newspaper article. The conclusions which I drew at the time (somewhat controverted, it may be added) were based upon a careful study of two important indications. The first of these was the extent to which the various delegations had shown what they were willing to do in world economic rehabilitation when they discussed these questions in Washington in April and May. The second guiding factor was the domestic program then developing in Congress. On the basis of these observations I ventured the prediction that the substantial achievement at London would be limited to some agreement as to the "sort of an international monetary standard or common yardstick toward which we should work." I added that "the United States has every reason to believe that something will be done to improve the price of silver."

Precisely this one thing has resulted from the efforts of Senator PITTMAN in London. The achievement of this substantial gain was marked by the President's ratification of this agreement through the powers vested in him by the Thomas amendment. The President's action has been greeted by various comments, an overwhelming majority of which have constituted a belated recognition of the importance of silver in international monetary policies. In some instances the Tory press has signalized this recognition by saying that it is a mere political gesture intended to allay the agitation of inflationists. This view misses the whole point of the action.

It is not in any sense a cure-all that the President is accepting. It is a part of a general monetary policy. Altogether too much levity has been indulged in with regard to the claims of silver, although such levity is quite understandable. The advocacy of silver has often seized upon its friends with the same evangelistic fervor as do such doctrines as the single tax. The ramifications of the subject have led to so much writing and speaking about it that the very volume of advocacy has obscured its importance.

A series of definite governmental acts throughout the world since 1920 has driven the price of silver down by approximately 75 percent. These included the debasing of silver by Great Britain and other countries and the attempts of India and Indo-China to go on the gold standard. One-half billion ounces of melted silver were dumped on the world market after 1924.

The London agreement provides that the silver hoarding countries agree to limit their offerings of silver in the world market for 4 years. Various governments have agreed to stop debasing, and, in some instances, to increase the proportion of silver in their subsidiary coinage. The United States practically takes its entire silver production out of the world market.

Such a program is in no sense analogous to Bryan's free-silver program of the nineties. It carefully avoids the dangers involved in Bryanism by making it certain that Gresham's law cannot operate. It increases the purchasing power of a large part of the world's population, and it may confidently be expected that China, India, and some of the South American countries will very considerably increase their purchases of American goods. This is bound to have a favorable effect upon agriculture and industry in the United States, particularly in the far West. It is argued that trade with the Orient is a small proportion of world trade. The reply may be made that in a process of recovery such as ours the stimulation of even this small amount upon certain parts of the country will be important.

I think it is unwise to stress the importance of this act to silver-producing States, although the effect is to give back to them a measure of the prosperity of a dozen years ago.

Any fair estimate of the international monetary problem must recognize that for a world such as ours, operating under the changed conditions of modern life, the available supply of gold is not sufficient to form the basis of an adequate world currency. To add silver to this metallic base is to build a firmer foundation for a world monetary system.

There are those who will claim that the production of silver may be violently increased by raising the price of silver. The answer that the silver advocates make is that there is a definite limit to the production of silver, and, while estimates vary as to the amount, a fair view of this question indicates that the possible production of silver is not beyond the limits of safety.

Even many conservatives are now willing to admit that the time has passed when gold can be used as a private circulation medium. It is probable that in the future economy of the world the metallic basis of the currency—and it is to be hoped that it will consist of both gold and silver—will be held as a Government possession or be used in a limited degree in settling international trade balances. This practically destroys the argument of those who fear the operation of Gresham's law. It also makes allowance for the enormous importance of credit in the monetary picture.

The action of the President is a substantial victory for the moderate advocates of silver. Senator KEY PITTMAN has reason to feel a measure of satisfaction in this practical result of many years of advocacy. All fair-minded observers in this country and the foreign experts who gathered in London recognize that no one in the world has so mastered the details of this subject as has Senator PITTMAN and that no one has applied his knowledge of his favorite subject in a more statesmanlike and reasonable manner.

RAYMUND MOLEY.

Farm Refinancing

REMARKS
OF
HON. LYNN J. FRAZIER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Monday, January 8, 1934

RADIO ADDRESS OF HON. WILLIAM LEMKE, OF NORTH DAKOTA, SEPTEMBER 23, 1933

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a radio address delivered on September 23, 1933, by Hon. WILLIAM LEMKE, a Representative in Congress from the State of North Dakota.

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

Members of the Farmers Union, farmers, and friends, we do not know where we are going, but we are on our way—our civilization is in a transition. Whether we wish it or not, we are going from the old to a new civilization. We are discarding our old clothes—the clothes of the Mellons, the Hoovers, and the Morgans—and putting on new clothes—the new clothes of 125,000,000 men, women, and children. How well these new clothes, this new civilization, will fit us depends upon our vision, courage, and intelligence; whether the change will be for better or for worse depends upon us—the American people. This new civilization will be ours; it will not be under the control of the international bankers—the house of Morgan. Our sails are set; we are sailing unknown seas.

On March 4 our President delivered the greatest inaugural address ever given to the American people. He told us on that day that we were going to drive the money changers out of the temple. Do not get excited, because 2,000 years ago the Nazarene also drove the money changers out of the temple, but they got back in; and so, on March 9, within a few minutes after it convened, the lower House of Congress passed a bill authorizing the printing of $2,000,000,000 of paper money for the money changers. This bill was not printed, and less than 5 percent of the Members of Congress knew its content.

This unseeming haste on the part of Congress is nothing new. For years Congress has always promptly passed any legislation

desired by Wall Street and the international bankers. But when the farmers, the laboring people, or the veterans ask for legislation which would be for the welfare and benefit of all the people, then there is years of endless debate and delay—then Congress seems to be deaf, dumb, and blind. This was as true of the special session of Congress as of the preceding sessions.

It was the President's intention that this $2,000,000,000 should be taken and distributed to the four corners of the United States. It was his intention to supply sufficient money—units of exchange—to transact the Nation's business—but did Wall Street and the international bankers take it? They did not. They refused to take it, because the President felt that they should pay one half of 1 percent interest or tax to the Government of the United States for the use of this money.

Of course, the small bankers throughout this Nation would have been glad to get this money at one half of 1 percent interest or tax, but they were in no position to take advantage of this law and the only way they could get it was through Wall Street and the international bankers, and they declined it. At the time that Congress adjourned only $50,000,000 of this two billion had been taken, and about 3 weeks ago only one hundred and fifty million had been taken, and this one hundred and fifty million is not in circulation. I have endeavored in vain to get one of these new bills, but have been unable to do so.

We cannot blame Wall Street and the international bankers for not taking this money for the reason that our Uncle Sam prints the Federal Reserve notes and gives them to Wall Street and the international bankers through the Federal Reserve Banking System for seven tenths of 1 cent per bill—the cost of printing. It makes no difference whether that bill is a dollar bill or a $1,000 bill, or whether they keep it for 1 year or 20 years—all they ever pay Uncle Sam for it is seven tenths of 1 cent per bill, the cost of printing.

Who is this Uncle Sam that is so generous to Wall Street and the international bankers. Why, that is the tall gentleman with the high hat and striped trousers. It is you, the American people—it is the Government of the United States. Our Government prints the money and gives it to Wall Street and the international bankers through the Federal Reserve System for nothing save the cost of printing. This, in violation of the constitutional provision which provides that the Government shall "coin money and regulate the value thereof." This clearly means that the Government of the United States should do the money and credit business of the country, but, instead, the money and credit business of the Nation has been turned over by our Government to Wall Street and the international bankers. The amount of this paper money given by the Government in the form of Federal Reserve notes, Federal Reserve bank notes, and national bank notes amounted, in round numbers on April 30, 1933, to $4,300,000,000.

After your Government had given all this money to those bankers for nothing, it found it necessary to borrow back some of the money that it gave away. It had to sell bonds. The amount of these bonds at the time that the special session of Congress met amounted, in round numbers, to $21,000,000,000. These bonds bear on an average 4-percent interest, are tax exempt, and both interest and bonds were payable in gold. In other words, these bankers used the $4,300,000,000 paper money which your Government gave them for nothing as a revolving fund with which they bought the $21,000,000,000 of bonds. So that when the special session of Congress met they had the $21,000,000,000 tax-exempt 4-percent interest-bearing bonds and also had the $4,300,000,000 of money—the money that your Government gave them for nothing. At that time your Government was so broke that it could not pay its Congressmen, and had to issue and sell to the same bankers additional certificates of indebtedness.

The special session of Congress did not give the relief to the people that they expected or were entitled to. Many of the laws passed in the special session of Congress are still largely "make-believe" and not real relief. This Nation is still in agony—it is hungry—millions are still in want in the midst of plenty—in the midst of the so-called surplus of food—and yet for some strange reason the hungry cannot get any of this surplus. Unthinking people call it overproduction—reasoning and intelligent people know that the trouble is underconsumption. They know that the law of supply and demand still exists—they know that the supply is here and that the demand is here, but that for some strange reason the law of supply and demand does not function.

There seems to be a sort of national and international lunacy which makes intelligent people talk of overproduction and surplus, when in fact the so-called "surplus" is due to underconsumption. By lunacy I mean just plain ordinary craziness. It is that kind of national craziness which impelled the Secretary of Agriculture to take his picture with a mule in the doubtful occupation of destroying property—of destroying cotton—when those who planted this cotton are still in rags—when there is hardly a man, woman, or child in the United States that does not need some new clothing that could have been made out of this cotton, and when there are still millions of men and women unemployed who would eagerly take this cotton and make it into finished products—into clothing. It is against international law, even in war time, to wantonly destroy property. To the credit of the mule be it said that he refused to become a party to this transaction—he declined to step on the cotton that his hoof had been trained to spare. History will record which in this particular transaction was the greater statesman, the mule or the Secretary of Agriculture.

Then there is the lunacy or just plain craziness which would have us believe that all our troubles are due to the machine age. This seems to me to be the reasoning of intellectual pygmies. What we need is more labor-saving machines, not less. When I was a youngster and had to put up hay and help harvest and thresh grain I used to pray that someone would come along with sufficient inventive genius to invent a machine to do this work. I hope that the day is not distant when every farm and every home in this land will have electric lights and when the wife will press a button and electricity will do the washing. I hope that in the future we will have machines that will do the thinking for some of the men we have in responsible positions in Washington. We need more machines, not less, but the benefits must be distributed to all. To that extent I am a technocrat.

What, then, is the cause of this catastrophe that has befallen us? It is caused by the monopolization—not of the wealth of the country but of the medium of exchange—the monopolization in the hands of a few financial monarchs of the money of the country—the unit of exchange. This was brought about by a skillful manipulation of the currency, by monopolized tariffs, by gambling in stocks and bonds and the necessities of life. It was brought about first by virtually doubling the money in circulation through the Federal Reserve bank during the war and then by a cruel, brutal, and inhuman deflation by virtually cutting the money in circulation in two.

When we entered the World War our financiers had already bet on the wrong horse over in Europe to the extent of billions of dollars; they had given the allied governments credit for war materials, food, and clothing to that extent. President Wilson realized that in order to win the war the Government—in other words, the people of this Nation, you men and women—would have to assume that indebtedness for which our financiers had given credit in the way of war materials, food, and clothing to the allied governments. That is how our foreign indebtedness arose. Our Government never loaned a dollar directly to the allied governments. It merely gave them a credit, and the international bankers manipulated that credit in such a way that they got billions of dollars out of the $22,000,000,000 of Liberty bonds we bought, and the United States Government—which means us—was substituted as the creditor of the allied governments in place of the international racketeers that had bet on the wrong horse. If these international gamblers had not bet on the wrong horse to that extent, this Government never would have gotten into the World War. It would have been over before we got started.

President Wilson knew that in order to win the war our Government would have to sell billions of dollars of bonds. He knew that there was not enough money in circulation among the people to enable them to buy these bonds, so he suggested to the heads of the Federal Reserve bank that they increase the money by issuing Federal Reserve notes and putting them in circulation among the people. Thereupon the local banks throughout this Nation took your note and my note and Tom, Dick, and Harry's note, stamped on the back of them "payment guaranteed", put them in a nice bundle, sent them to a Federal Reserve bank, and received Federal reserve notes, dollar for dollar, in exchange.

At the time that we entered the war there was in circulation in the United States approximately $4,000,000,000. It is estimated that 1 billion of this was in foreign nations, that another 500 million had been lost since the Government began to make money, some 156 years ago, lost in the fields, destroyed in homes and buildings that have burned, leaving about 2½ billion dollars in actual circulation. This was increased during the war to approximately $5,700,000,000. In round numbers, the increase or inflation was approximately $2,000,000,000; the circulating medium—money actually in the United States—was more than doubled by the issuing of Federal Reserve notes.

With this additional money, with this extra $2,000,000,000 as a revolving fund, we bought $22,000,000,000 of Liberty bonds, bought new farms, new homes, and made countless improvements. There was plenty of money with which to measure the muscular and brain energy of our people; prosperity was almost universal in this land of ours, and we had the highest standard of living of any nation.

But disaster was awaiting us; in 1920, while Woodrow Wilson was a sick man, the international bankers stole the Federal Reserve bank; suddenly and without warning the Federal Reserve bank began its deflation policy; it suddenly and without warning called upon your local bank, my local bank, and Tom, Dick, and Harry's local bank throughout this Nation to pay these notes they had guaranteed. It was at that time that your local bank was compelled to call upon Tom, Dick, and Harry to pay those notes it had guaranteed, and it was at that time that the prosperity of this Nation was wrecked.

It was at that time that the price of the farmers' wheat went down from $2 and $3 a bushel to 80 cents; it was at that time that the farmers' steers went down from $125 apiece to $25. By the end of 1921 the Federal Reserve bank had called in approximately $1,000,000,000 of the Federal Reserve notes that it had issued in exchange for your note, my note, and Tom, Dick, and Harry's note.

The first industry to feel the effects of this deflation was American agriculture. The farmer, being unorganized, was the first to fall victim to the deflation. He was virtually slaughtered. He was made the shock absorber of deflation; and had he been able to carry the burden the entire cost of the World War would have been thrown upon his shoulders. But, as usual, greed knew no limit—the load it placed upon the farmer became intolerable, and he broke down under it.

Most of the farm indebtedness was created during the World War; during the period of inflation when there was plenty of money to measure the muscular and brain energy of our people; when everybody was at work and when prices were high. Before the price-fixing act became effective and prior to deflation the farmers were getting as high as $3.89 per bushel for no. 1 dark northern wheat in Minneapolis and other agricultural products were selling accordingly. At that time a thousand bushels of wheat would have paid an indebtedness of $3,890. Today, 1,000,000, 2,000,000, or 3,000,000 bushels of wheat will not pay that same indebtedness, because the farmers are selling it far below the cost of production. What is true of wheat is true of practically all agricultural products. The selling price of practically all agricultural products since 1922 has been below the cost of production.

As a result, one may start from the Canadian line in the State of North Dakota and travel south to the Gulf of Mexico, crossing the States of North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, and Texas, and all along the line he will see deserted farm homes, broken fences, tumble-down barns, unpainted houses in sad need of repair—the very surroundings bespeak poverty and despair where once there was prosperity, hope, and plenty. He will learn of hundreds and thousands of mortgage foreclosures, past and pending; he will meet hundreds of thousands of fathers and mothers whose sons and daughters have gone into the already overcrowded cities; he will hear from their lips that before the period of deflation they were worth from $25,000 to $50,000, happy, prosperous, and contented, and now have either become tenants or are about to be evicted, with no place to go. The special session of Congress did nothing worth while for these people.

Such a condition affects not only the farmers, but the Nation as a whole. It is a national calamity—it is a disgrace to the twentieth century and can only be explained by a complete breakdown—no; by a complete bankruptcy of political and economical leadership. We have an overproduction of just one thing in the United States, and that is an overproduction, a superabundance of ignorance on fundamental issues. We have heard of short selling, but one thing is sure—as a Nation in this depression, we are long on short thinking.

We have at our fingers' tips all that is necessary to bring about the greatest prosperity and happiness that this Nation has ever seen. We have too much to eat, so much that one half the farmers of this Nation have lost their homes, and the other half are about to lose them in producing it. Again, we have so much raw material of every kind and description that we do not know what to do with it; and yet, we have millions and millions and billions of human wants. There is hardly a man, woman, or child in this land that does not need some new clothing or other necessities, and then there are 12,000,000 men and women out of employment who are eager and willing to take this raw material and make it into finished products for us; and yet, the great American engine is stalling.

Then what is the trouble in this Nation? The trouble is we have not enough money in actual circulation to measure the muscle and brain energy of our people, and we have done nothing up to this time to remedy the situation.

I will ask my conservative friends: What is money? What are its purposes and its functions? Money is not gold; it is not silver. Money as such has no intrinsic value; it is a unit of exchange, a measure of values, a common denominator with which we measure the comparative values of commodities; it is a yardstick with which we measure the comparative values of the things produced by the energy of a people. Money is made by law; demonetize gold today and remonetize silver, and gold would be worth less than silver. Of course, the international bankers want the single gold standard, because they can and have monopolized it, to the misery of millions and all but the destruction of our Nation.

The gold standard is the result of a superabundance of ignorance on the part of the former lawmakers of this Nation. Unconsciously and under pressure these lawmakers were gotten under the control and influence of the international bankers. It was the international bankers that originated the phrases "sound money", "fiat money", "inflation", and "debasing the currency." These are the phrases behind which the international bankers and Wall Street have found refuge and perpetuated a monetary system that is a disgrace to an intelligent people.

Let us now come to the remedy, the Frazier bill. The Frazier bill provides that the United States Government shall refinance existing farm indebtedness at 1½ percent interest and 1½ percent principal on the amortization plan, not by issuing bonds but by issuing Federal Reserve notes secured by the best securities on earth, first mortgages on farm lands, better security than gold or silver because you can not eat gold or silver, but you can eat the products that grow on the farm, therefore your life depends upon the farm; it is the best security on the face of the earth. If our Government has enough intelligence to do this, it will make a profit of $6,345,000,000 at 1½ percent interest in 47 years, the time required for amortization of the farm indebtedness. This bill asks nothing new. During the war the Government virtually doubled the money in actual circulation by issuing Federal Reserve notes, secured by commercial and agricultural paper—promissory notes—endorsed by the local banks. Since the war the Government has scaled down and refinanced the indebtedness of the allied governments so that on an average it amounts to less than 1 percent interest. The Government has printed 4 billion 300 million of paper money and given it to the banks at seven tenths of 1 cent per bill, secured largely by bonds—the Government's indebtedness. Why not refinance the farmers at 1½ percent secured by better security than debts, by the farms of this Nation?

When the Frazier bill becomes a law then there will be issued and put into circulation, among the people, several billions of dollars of new money—Federal Reserve notes. It will again give purchasing power to the people, the farmer will pay his banker, his merchant, his lawyer, and his doctor, and they in turn will pay their bills, and all will start in again repairing and improving their homes, unemployment and starvation will cease, the enforced idleness of 12,000,000 men and women will disappear, and we will hear no more of overproduction, consumption will again be normal—real prosperity—the kind we had in 1919 will again return.

When this bill becomes a law and the Government refinances the entire existing farm indebtedness of 8½ billion dollars, then, we repeat, the Government will make a profit of 6 billion 345 million at 1½ percent interest in 47 years. But that is not all. The farm indebtedness will be decreased by three fifths in 47 years because of the low rate of interest. For example, let us say there is a farmer whose farm is still worth $12,000, who is indebted $10,000 and paying 6 percent interest on the indebtedness, and that his creditors are proceeding to put him out of business. Is there any place where he can protect his home and get refinanced? There is not.

He cannot get it from the banks because he has no purchasing power left. He cannot get it from the insurance companies bebecause they bought too many foreign bonds from the international bankers, who not only bet on the wrong horse to the extent of 15 billion dollars before the war, but who since have sold 15 billion dollars of more or less worthless foreign bonds to our bankers, trust companies, and insurance companies and charged them from 3 to 14 percent commission on the swindle.

When the Frazier bill passes, then the Government will issue Federal Reserve notes and take up this farmer's $10,000 indebtedness at 1½ percent interest and 1½ percent principal on the amortization plan, and to secure the payment take a first mortgage on his farm. The Government will pay his mortgagor, his banker, his merchant, his butcher, his grocer, his lawyer, his doctor, and his school teacher. Yes; his school teacher, because it will take up his past due taxes. And these in turn will pay their obligations, and there will then again be sufficient money in circulation to do the money business of this Nation.

Now, what does this farmer do because of this favor? He pays his Government $300 a year for approximately 47 years, or pays $14,100 to the Government in 47 years, and the farm is his, free and clear of encumbrances. But we said that it would reduce his indebtedness three fifths in 47 years. Let us see how that is accomplished. Let us suppose that this farmer could find someone that could loan him the $10,000 and save his home at 6 percent interest straight. Then in 47 years he would have paid $28,000 in interest and still owe the original $10,000, making $38,000 for what he can get under the Frazier bill for $14,000. In other words, the Frazier bill will give this farmer $24,000 new purchasing power within the 47 years. What does that mean to you business and professional men and women? It means that this farmer will again buy paint to paint his home, that he will buy the things that he is so much in need of, and that the wheels of progress will start moving.

Let us now compare the Frazier bill with the one passed by the special session of Congress, written in New York by an overscholastic college professor who was brought up in the atmosphere of money changers. Under this bill, if all the farm indebtedness is refinanced, the farmers of this Nation will pay $12,492,500,000 in 39 years to the coupon clippers. The difference that the farmers will have to pay in interest between the Frazier bill in 47 years and under this bill in 39 years is $6,147,500,000. Under the Frazier bill the Government will make a profit of $6,345,000,000, and to that extent lessen our taxes that we will have to pay, while under this bill the coupon clippers will make a profit of $12,492,500,000.

In addition, under the Farm Refinance Act passed by the special session of Congress, the farmers will have to buy $47,500,000 of stock in the Federal land bank. On top of that they will have to pay 1 percent for administration—that is, if all the farmers could qualify under that act. The truth, however, is that not over 10 percent of the farmers can qualify, because they are restricted to 50 percent of the value of the land and 20 percent of the insured permanent improvements.

This is the price that the farmers and the people of this Nation are asked to pay in order to make the Federal land bank and the joint-stock land bank's bonds good. This is the bill that had its scholastic birth in New York. It is not real, but make-believe legislation. The Frazier bill will have to be passed to take its place in order to save the farms for the farmers.

We offer as a further remedy the Norris-Simpson amendment to the Agricultural Adjustment Act. This amendment was prepared by John A. Simpson, national president of the Farmers' Union, and was adopted by the Senate in spite of the opposition of the Department of Agriculture, but was finally eliminated from the bill in the conference committee. This amendment provided that the farmers be guaranteed the cost of production for that part of their product which is consumed within the United States. Surely anyone who has the welfare of this Nation at heart cannot object to the farmers getting the cost of production for that part of their product which is consumed within the United States. No honest man or woman expects to eat or wear or drink the things that

the farmers produce below the cost of production. If this bill had become a law, the farmers would now be receiving $1.50 a bushel for their wheat and similar increases for all other farm products consumed within the United States. There is no overproduction of wheat this year—there is, in fact, a shortage. If this amendment had become a law, it would not now be necessary for the Department of Agriculture to out-Sanger Mrs. Sanger and teach pigs birth control—millions that are now unable to eat pork would be able to eat it.

We recommend, to relieve unemployment, the enactment of the 30-hour week for employees in industry, insurance for unemployment, old-age pensions, and such other reasonable relief legislation as is worked out and demanded by organized labor. Society at present has to take care of millions of unemployed—why not give them an opportunity to make good for themselves?

Finally, we recommend the passage of the Patman bill—the payment of the soldiers' compensation in cash; not by issuing bonds but by issuing Treasury notes. These notes can be redeemed within a few years without any increase in taxes by applying the money accumulated and accumulating on the veterans' insurance policies, together with that now used in payment of premiums on these policies.

During the special session of Congress I witnessed several hundred of our beragged, tired, hungry, disheartened veterans with the flag of this Nation marching by the House Office Building with policemen directing them off the Capitol Grounds, and I cannot help but think of the difference when these boys proudly marched forth to defend this Nation's honor and future glory, how we lauded and praised them then, and what miserable and contemptible treatment we have given them since and are giving them now.

While these boys went forth, willing to give their lives and their limbs for this Nation, many of the stay at homes wrapped the flag of glory around them and grabbed everything in sight. They made millions and billions out of the blood, the tears, and the agony of an agonized world. During the war we made 17,000 new millionaires and a few billionaires. But when these boys returned and asked, not for a just compensation but merely a few paltry dollars with which to get a start in life again, then we yelled that if they insisted upon that they would wreck the Nation; that the national credit and honor was at stake.

The treatment of our soldiers and veterans during the war and since the war is a national disgrace. Quoting from the Chicago Tribune of May 21, 1920:

"Every soldier knows the training camps were located not for training purposes but to bring money to favored communities.

"Every soldier knows that of the money not deliberately misspent, fully one half was wasted, because it was administered by miserable incompetents appointed for political advantage.

"Every soldier knows what an infinitesimal fraction of wartime expenditures ever reached the battlefield.

"Every soldier knows that both his comfort at the rear and his safety on the battlefield was sacrificed.

"Every soldier knows that throughout the war his interest was sacrificed to that of the slacker and profiteer.

"Every soldier knows that the only suggestion of national economy has been to economize at his expense."

At the time that the economy bill was up, I suggested that so far as crucifying the veterans was concerned, it was false economy. I suggested you could not bring back prosperity by adding to human misery. I suggested that we should practice economy where it ought to be practiced. I suggested that we should give the President authority to suspend the interest on the bonds of the United States for a period of 3 years. That would have put the burden of economy where it belonged—upon those who profiteered and made millions out of the blood, the misery, and the tears of an agonized world. Why not in this crisis, if this Nation's credit and honor are at stake, suspend the interest on these bonds?

To stop the interest on these tax-exempt bonds, I introduced a bill in Congress creating the Bank of the United States. When this bill becomes a law, the $4,300,000,000 of paper money now given to the bankers, largely to the international bankers for nothing, save the cost of printing, will be taken over by the Government of the United States and used as a revolving fund. It will permanently retire the twenty-three billion 4-percent interest-bearing tax-exempt bonds, and save the Government and the American people over a billion dollars a year in interest alone. The interest thus saved in 2 years would more than pay the soldiers in full. In addition, the Bank of the United States would make a net profit of over six hundred million a year on doing the money and credit business of the Nation at less than 1 percent interest, thus saving to the American people several billion dollars that they are now paying in higher rates of interest to the international bankers.

In conclusion permit me to state that the public and private debt in this Nation is about $250,000,000,000—the total property in the United States—I mean physical property and not debts—even at the high values of 1919, was estimated at $146,000,000,000, and is now worth about $70,000,000,000. How are you going to pay $250,000,000,000 with $70,000,000,000? It cannot be done, unless we first put more money into actual circulation—not by doubling it in the hands of a few international bankers and Wall Street racketeers, but by putting it in circulation among the people of this Nation. Call that inflation or debasing of the currency, and make the most of it; it will nevertheless be a blessing to the people of our Nation and of the world. We are more interested in not debasing American manhood and womanhood.

There must be an immediate expansion of the currency or the Blue Eagle will be the bluest bird in America. We suggest to the President that he give us a rational expansion of the currency by remonetizing silver by Executive order under the provisions of the law passed by the special session of Congress, and that he expand the currency under other provisions of that law.

To the farmers of this Nation I will say that they will never get justice at the hands of Congress unless they cooperate and organize. I, therefore, suggest that they join the Farmers' Union, whose national president, John A. Simpson, is one of the real great men of this Nation. He is one of the real farm leaders who never cringes or surrenders the farmers' interest in order to gain the smiles and good will of some official or politician in Washington. John A. Simpson represents the hope and aspiration of at least 85 percent of all the farmers of this Nation, and numbers his friends in the millions among the business and professional men and women. His monthly radio addresses are eagerly awaited and listened to and discussed by millions each month. No other farm leader knows the farm problem as John Simpson—he does not belong to the high-salaried, silk-stocking, tax-eating brigade of so-called "farm leaders", and is not a "yes man." Farmers throughout this Nation join the Farmers' Union—organize a local in your community today. For all instructions write to E. E. Kennedy, secretary of the National Farmers' Union, Kankakee, Ill.

To the veterans and to the workingmen may I say cooperate with the farmers of this Nation, and especially with the Farmers' Union. This organization is and has been your friend through sunshine and through rain.

H.R. 6131

SPEECH

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1934

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H.R. 6131) to raise revenue by taxing certain alcoholic liquors, and for other purposes.

Mr. McCORMACK. Mr. Chairman, the gentleman from Massachusetts [Mr. TREADWAY] and the gentleman from Minnesota [Mr. KNUTSON] have another object in view in the introduction of this amendment, and that objective is political in its character.

The purpose is to try to have a Democratic-controlled House for the first time in the history of the country use the force of the internal-revenue laws for tariff purposes. For the many years that the Republican Party controlled the House they never advocated any such precedent as this.

Our tariff laws are in part for the purpose of protection. Our tariff laws are also in part for the purpose of enabling infant industries to establish themselves and also to protect established American industry against competition from cheap foreign labor and from cheaply produced foreign goods. Our internal revenue laws were never designed for and such purpose. If this amendment is adopted, it will simply result in a message to the American people and to the American business man that an overwhelmingly controlled Democratic House has adopted an amendment, for probably the first time in the history of our country, whereby the internal revenue laws are used indirectly for tariff purposes.

Mr. TREADWAY and Mr. LEHLBACH rose.

Mr. McCORMACK. In just a moment I will yield.

I have no objection to a 37½-cent increase on champagne. I never drank in my life. So the question of what is to be paid for champagne by way of taxation or tariff does not concern me personally, except insofar as I want a fair and an honest and an equitable tax imposed. That is something that concerns me as a legislator.

The adoption of this amendment imposing 5 cents on domestic-produced champagne or still wines and 42½ cents on imported—while I have no regard for imported wine—will result in the use of the internal revenue laws for tariff purposes, and I submit that this is not the proper place to bring about legislative action which is intended to give

assistance to an infant industry or afford protection to American industry.

Mr. LEHLBACH. Will the gentleman yield?

Mr. McCORMACK. I yield first to my friend on the committee, the gentleman from Massachusetts.

Mr. TREADWAY. I yield to the gentleman from New Jersey.

Mr. LEHLBACH. I want to ask the gentleman this question. Is it not a fact that in the last Congress the Ways and Means Committee, of which the gentleman now speaking was a member, in a Democratic House brought in internal revenue taxes or excise taxes on imported coal and oil and copper?

Mr. McCORMACK. Yes; but the internal revenue tax was the same——

Mr. TREADWAY. I understood my friend and colleague to say in the opening of his remarks——

Mr. McCORMACK. It was a tariff provision.

Mr. LEHLBACH. No; it was not. It was an excise tax.

Mr. McCORMACK. But it was applied at the port of entry.

Mr. TREADWAY. I understood my colleague and friend to say at the opening of his remarks, that no tariff item had ever appeared in an internal revenue bill. I now hold in my hand a copy of Public Document No. 154, Seventy-second Congress, entitled

An act to provide revenue, equalize taxation, and for other purposes.

And let me call my colleague's attention to the fact, as did my colleague from New Jersey, that the Democratic Party was in control when this law was enacted, and on page 100 of the act I find, under section 4, the articles enumerated and the last line reads:

The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles.

[Applause.] I submit this fact for the correction of the statement of my colleague that there never has been a tariff provision in an internal revenue act.

Mr. McCORMACK. What my friend has said does not cause me to change my statement a bit. I said we had never before used the internal revenue laws for tariff purposes.

Mr. TREADWAY. But it does inpugn the truth of the statement.

Mr. McCORMACK. The tax imposed under that provision was imposed at the point of entry. This is a tax collected internally. That was an increased tariff duty in a revenue bill, and I opposed that also, collectable at the port of entry, and the additional tax imposed under this proposed amendment means that it will be collected internally throughout the country. One was a tariff provision in a revenue bill, and this is the use of internal revenue laws for tariff purposes. Both are bad, but there is a clear distinction between them.

Now, I maintain this is the first time in the history of the country that through the use of the internal revenue laws of this country, if this amendment prevails and becomes a part of the law, that the internal-revenue law has been used for tariff purposes.

I want to call my colleagues' attention to the fact that if this is successful we are starting on another legislative journey which is liable to bring many injurious results.

If we are going to use the internal revenue laws for tariff purposes on this product, why can it not be used on other things? Why can it not be used on every other raw or finished commodity produced or imported into the United States? We will simply be starting another vicious indirect tariff circle.

I submit this is a tariff question, and the matter should be confined to the field of tariff. A Democratic-controlled House, no matter what our personal views may be with reference to there being an increased duty on champagne, should not adopt such an amendment. I am in sympathy with the objective sought by the amendment, outside of its political design, and would probably vote for it as a tariff measure, but the internal revenue laws should not be resorted to, and a Democratic-controlled House should not permit it to be incorporated in our laws under the guise of an amendment to our internal revenue laws. [Applause.]

H.R. 6131

SPEECH

OF

HON. VINCENT L. PALMISANO

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1934

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H.R. 6131) to raise revenue by taxing certain intoxicating liquors, and for other purposes.

Mr. PALMISANO. Mr. Chairman, to a certain extent I agree with the committee on this bill. I feel that a $2 tax is a reasonable tax. I am also in accord with the committee insofar as the wine tax is concerned, but I differ with the committee on the so-called beer tax.

In looking at the bill you get the impression that the tax on beer was $6 prior to prohibition, and that they are reducing it now to $5, a reduction of $1. The truth of the matter is that the tax from the year 1862 until the year 1914 was $1, with the exception of a year or two immediately after the Civil War and a year or two immediately after the Spanish War, at which time the tax was increased to $2.

The following was the tax before prohibition: The tax on beer from 1862 to March 3, 1863, was $1 a barrel; from March 3, 1863, to March 31, 1864, 60 cents a barrel; from April 1, 1864, to June 13, 1898, was $1 a barrel; from June 14, 1898, to June 30, 1901, during the Spanish-American War, the tax was raised to $2 a barrel; from July 1, 1901, to June 30, 1902, it was reduced to $1.60 a barrel; on July 1, 1902, it was again reduced to $1, and continued at this rate until October 22, 1914.

I contended before the Ways and Means Committee, as shown at page 355 of the committee hearings, when they were considering the Collier bill, that we would not obtain under the $5 tax a 5-cent glass of beer. I contended at that time that beer would sell at from $10 to $12 per barrel wholesale. In the city of Baltimore beer is selling today from $12 to $14 a barrel. At that time our colleague, Mr. Ragon, who is now on the Federal bench, had this to say, at page 356, speaking about the nickel glass of beer:

Mr. RAGON. As I recall, the representatives of the breweries testified that if we make that tax no higher than $5, they can still furnish the nickel glass of beer. One of them said that what this country needed now more than anything else was a 5-cent glass of beer.

I contended that that was not so. I stated that you could not obtain a nickel glass of beer under those circumstances.

I am asking you, Mr. Chairman, whether you have a nickel glass of beer in your city or in your State. We have it in the city of Baltimore, yes, in the residential section where cheap rent prevails, but the men who sell a 12-ounce glass for a nickel are not making a living. They are just simply working for the breweries.

Let us provide a small profit for the little man who is trying to make a living honestly. Give them a tax of $2 on beer, and, in my opinion, you will permit them to make a living.

Bear in mind that in April, when beer was permitted, we had in Baltimore, taking that city as an example, two breweries operating. Perhaps a $5 tax at that time was somewhat justified, because they would profit by it and the breweries would profit. Today in the city of Baltimore we have eight breweries. What is the consequence? They are laying off men. They are not producing any more because the men cannot pay 10 cents for a glass of beer.

Let me just give you some information in reference to the reduction of income. Some of the Members will recall

I stated on the floor of the House when there was discussion about $225,000,000 and $250,000,000, that you would not get it. In July this amounted to $16,644,557.30; in August, $16,301,018.49; and in November, $8,040,943.55. You can see now when there is more production your income is less. My contention is that if you reduce the tax to $2 you will give the farmer an opportunity to sell more grain and you will cause increased employment in the breweries. You will allow the man who desires to sell a legitimate glass of beer to make an honest living, and you will receive as much revenue from the $2 tax as you are collecting now on a $5 tax.

Mr. MAY. Will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. MAY. Does not the gentleman think we would get infinitely more revenue if the tax was $1 instead of $2, in the same way that you get more revenue from a 1-cent postage stamp on first-class mail than you get from 3 cents, and for the same reason that when the railroads were permitted to reduce their passenger rates to 2 cents a mile instead of 3 cents they took in more revenue?

Mr. PALMISANO. I am not prepared at this time to advocate cutting the tax down to $1, as it was before prohibition. I think living conditions, at the time I spoke of, from 1862 up to 1914, were quite different from what they are today. The working man demands more salary and I believe that the men and women who are working in the breweries and conducting retail stores and so forth, are entitled to a living wage, and I believe a tax of $2 at this time to protect the Government is a fair tax.

Mr. MEAD and Mr. HEALEY rose.

Mr. MEAD. The gentleman's main point is with respect to imposing a tax sufficient to permit the sale of a wholesome 5-cent glass of beer?

Mr. PALMISANO. That is right, and that is what I contended in the special session.

Mr. HEALEY. My question was along the same line. Does the gentleman feel that if we reduced the tax on beer to $3 or $2.50 that that would result in a 5-cent glass of beer?

Mr. PALMISANO. You would get a 5-cent glass of beer and I believe the Government would get as much revenue as it will get under a $5 tax.

We have been talking about the bootlegger and one thing and another here this afternoon. I stood on this floor advocating the repeal of the eighteenth amendment, not because I personally cared for drink. I advocated it because of temperance, and the only way you are going to get temperance is to have personal responsibility, and the only way you can get personal responsibility is to say to the States, "Cut out the gallonage tax, cut out the excise tax, and have a good, strong, high liquor license tax, and keep the distilleries and the breweries away from the retail trade."

When you do this it will mean that a man who attempts to get into the business must invest from $2,000 to $5,000 and if he violates the law you take that license away from him and close up his place of business. From my experience I can guarantee that you will have no violators and you will have no bootleggers, because they will not tolerate them.

So I say that when the proper time comes let us adopt an amendment.

[Here the gavel fell.]

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. PALMISANO. Let us adopt an amendment making it $2 or $2.50 and let us go back to our various States and advocate a high license tax with a provision that when they are convicted of violating the law they will be barred from ever going into the business, and if they own the property, padlock it, if you please, or prevent them from selling liquor or beer on such property. I believe in some cases where a landlord is interested you might make an exception in the first instance, but in the second instance make him protect himself by getting a bond from his tenant that the law will not be violated; and in the event the place is closed down I say that the man must give a bond to protect the rent to the landlord.

If the States will adopt a law of this kind, we will never have the cry that we had when we asked for the repeal of the eighteenth amendment. We want temperance; we must get temperance in the States by a high-license system and by divorcing the breweries and the distilleries from the retail trade. [Applause.]

[Here the gavel fell.]

Great Lakes-St. Lawrence Deep Waterway

EXTENSION OF REMARKS

OF

HON. ALFRED F. BEITER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 8, 1934

Mr. BEITER. Mr. Speaker, I was informed this morning that the Great Lakes-St. Lawrence Deep Waterway Treaty is on the calendar of the United States Senate fo rconsideration within the next few days. If, by any chance, the treaty be ratified, it would be a financial tragedy for the country at large and for the individual taxpayer.

The grave danger confronting us at this moment is that the treaty has been backed and is being promoted by a well-organized and strongly financed minority, while the large majority of the people who do and should oppose it are unorganized.

The treaty should be given no further consideration until an official economic survey has been made by a competent unbiased United States commission and it can be proved beyond doubt that there will be adequate return on the gigantic investment that would be required.

It is interesting to consider what are the principal factors, communities, and individuals which favor and advocate the St. Lawrence canalization and what benefits will accrue or may accrue to these factors and to the remainder of the United States.

For many years there has been maintained in the city of Washington an organization whose only duty has been to work for and advocate the canalization of the St. Lawrence River. This is the Great Lakes-St. Lawrence Tidewater Association. This association has been maintained by legislative appropriations and donations from lesser organizations in, according to its own statements, 23 States, extending from Ohio even to the State of Washington on the Pacific coast.

A large part of the propaganda which has been put out by the said association has consistently stated that this canalization would reduce the cost to American farmers of exporting grain, thereby increasing the income to the farmer and increasing the value of his holdings. Definite active effort to secure this canalization was started shortly after the war, while Mr. Hoover was Secretary of Commerce, and the basis of the then argument was that the railroads had been, and would be in a few years, incapable of handling the traffic to the seaboard from the interior of the United States; that congestion of traffic would thereby be relieved and freight rates reduced. Thirteen years after those prognostications the traffic conditions, as assumed, are reversed, and the railroads are begging for enough freight to pay operating expenses.

These various States which have supported the said Tidewater Association consist of what may be called the north-central portion of the United States, and they have been told many times about how much they would be improved commercially and economically by the canalization of the

St. Lawrence, often being told that it would save 10 cents per bushel on their grain freight rates. Believing in this propaganda, they have supported this association with their funds.

It will be remembered that a few years ago there was a tremendous flood in the Mississippi Valley and that some lives were lost; that there was much suffering and destruction of property. Following that catastrophe, funds were provided by the Federal Government for research and engineering; following this, many millions of dollars were appropriated, and work is now progressing upon plans not only to mitigate further flood damage but also to provide water transportation on the Mississippi River and its main tributaries, including the Missouri, Ohio, and Illinois Rivers.

Let us now study the St. Lawrence proposition in conjunction with the Mississippi-Ohio-Missouri work, and also in connection with the grain production and movement of our northerly neighbors.

Beginning in the southerly portion of the proponent area, we will take the wheat-growing State of Kansas—the greatest wheat-growing State in the Union—and find that the center of this State is practically the same distance in a straight line from the Great Lakes at Chicago that it is from the ocean at New Orleans, but that it is much nearer to the Missouri and the Mississippi Rivers than to either of these ports. If the people in the Mississippi Valley really believe that the improvement of that stream for navigation would be of material benefit to them, to the extent of a large portion of the cost of its improvement, why should they be so interested in the canalization of a river in the northeasterly portion of the United States which in order to reach they must cross the other improved waterway; moreover, what benefit can accrue to the farmer of Kansas when the cost of shipping a bushel of his grain to the nearest Great Lakes port is greater from 30 to 60 percent than it is for the farmer in any of the Northwest Provinces of Canada which lie east of the Rocky Mountains?

Now let us see what great benefit can accrue to our people in the Dakotas and Montana from the canalization of the St. Lawrence. Certainly they, like the others, cannot expect the canalization of the St. Lawrence to make it cheaper to get their grain to our Atlantic seaboard. Therefore they must have been sold upon the idea of export grain and its influence upon other grain sales.

Maj. Theron M. Ripley, Buffalo, N.Y., an outstanding American engineer, who has made a life study of water supply and power, canals and drainage, makes the following statement:

A comparison of the rates from these States to Duluth with those in the Provinces of Manitoba, Saskatchewan, and Alberta to Port Arthur, from which points the rates east are the same, shows that from neither of the Dakotas can grain reach Duluth for as small a rate as from many points in the Province of Manitoba, excepting along the easterly border of North Dakota; and that an average rate for each of these States is as large or larger than the rates for the entire wheat-growing area of Saskatchewan and that they are in competition even with wheat grown in Canada under the shadow of the Rocky Mountains.

Although the center of Montana is 330 miles nearer to Duluth than the center of the wheat-growing area of the Province of Alberta to Port Arthur, nevertheless the rate between the first two places is 50 percent greater than between the latter. In other words, the wheat reaching the ports of the Great Lakes from the large wheat-growing areas in the United States is already at a disadvantage with our neighbors to the north to the extent of 5 to 15 cents a bushel before it is loaded upon a lake steamer. How do the proponents of this waterway improvement expect this difference to be overcome by improving the St. Lawrence?

The preceding statements are important enough to be emphasized. In 1930 a revised report was put out by the United States Corps of Engineers and the Bureau of Operations of the Shipping Board, and contains the following:

It is well known that a saving of as little as one fourth of a cent per bushel will serve to divert substantial movements of grain. Indeed, the situation is such that the grain shippers must constantly be alert, not only with respect to the actual rates over the various routes but also the conditions affecting the promptness of movement, the situation at the terminal elevators, etc.

The proponents for the St. Lawrence canalization have repeatedly stated that it would save 10 cents a bushel on export grain, but they have never told how this can be done when grain is being shipped from Duluth or Port Arthur to Montreal for 5 cents or to New York City for 6 cents; nor how this amount can be saved when the entire cost from the upper Lakes to Liverpool is less than 12 cents per bushel. Neither have they told their constituents, who are a few hundred miles from the Lakes and where most of the grain is grown, that they were handicapped before reaching lake ports.

It is realized that corn and oats are produced in the United States in greater volume than wheat. In the United States in 1928 there was produced three times as many bushels of corn as of wheat, but a large proportion of the former reaches the consumer in the form of meat, while the latter still contains its identity in the loaf of bread. For this reason wheat is used as a basis of comparison for export as well as for transportation over long distances in the United States.

It is a well-known fact that the great prairie Provinces of Canada, viz, Manitoba, Saskatchewan, and Alberta, are primarily grain-growing areas; also that our mid-West and central Northwest are foremost in this production. Neglecting the recent hectic years let us study the decade from 1919 to 1928 to get an idea of what happened in wheat production.

In 1919 there was produced in the United States 934,265,000 bushels of wheat and in Canada 193,260,000 bushels of wheat. In 1928 there was produced in the United States 902,749,000 bushels and in Canada 566,726,000 bushels. While the United States showed a decrease of about 28,000,000 bushels, equal to about 3 percent, Canada showed an increase of 373,000,000 bushels, or about 200 percent. Of this Canadian total, 96.1 percent was produced in the three above-mentioned Provinces. If the United States, with a population of 120,000,000, has a surplus with a production of 902,000,000 bushels, how much more of a surplus must Canada have with a population of 11,000,000 and a 556,000,000-bushel production?

In 1928 the 3 mentioned Provinces of Canada produced 544,598,000 bushels of wheat, and the 16 States from Ohio to Idaho produced 664,920,000 bushels. Of this latter amount but 12½ percent could reach Lake ports with rates equal to those from Manitoba, and only about 40 percent of this total production can reach the Great Lakes with a rate as low as the grain from any of the above-named Canadian Provinces.

In view of the foregoing facts relative to the transportation rates to the Great Lakes, would it not be advisable for those who are personally interested in protecting and enlarging the market for the Middle West farmer, to make a careful study not of Lake rates but of rail rates to the Lakes? Would it not be well to ascertain why it is that his Canadian neighbors can have their grain carried 1,250 miles for 15.6 cents a bushel, while he must pay 23.7 cents a bushel to have it carried 930 miles; or why his Canadian neighbor can have his wheat carried to Lake Superior, a thousand miles distant, for 14.4 cents a bushel, and he must pay the same amount of money per bushel for a carriage of 344 miles?

As a partial answer to the foregoing questions, attention is called to the following quotations from Senate Document No. 107, Seventieth Congress, first session, which was printed under date of March 15, 1928 (these rates are in force January 1934).

The rates on grain for export from the western Canadian Provinces to Canadian Atlantic and Pacific ports are lower than the corresponding rates for export from the northwestern part of the United States to American Atlantic and Pacific ports. These rate differences * * * appear to be due directly * * * to certain charter provisions of the Canadian Pacific Railway. That railway was, in 1897, granted a charter to build a line from Lethbridge, Canada, through the Crowsnest Pass into British Columbia, and was given a subsidy of $3,500,000 and a land grant.

In return it agreed * * * to reduce the then existing rates from the western Canadian Provinces to Lake Superior ports by 3 cents per 100 pounds, and to maintain such reduced rates in perpetuity unless otherwise authorized by the Canadian Government.

The three western Provinces of Manitoba, Saskatchewan, and Alberta produce 96 percent of all Canadian grain production. We quote again:

The rail policies of Canada and the United States are somewhat different. In this country there is private ownership and management of common carriers, and such carriers are wholly dependent upon revenue derived by them from transportation. Practically all the railroads mileage in Canada is owned by two systems, the Canadian National and the Canadian Pacific. The former embraces most of the weaker and high-cost lines and is owned by the Government of Canada. In 1925 the Canadian National failed to earn enough to pay interest on its debt by $42,197,664, and in 1926 failed to earn its interest by $29,894,072 * * *. These figures do not reflect in full the extent to which the Canadian National failed to earn its operating expenses and a reasonable return upon its investment, as the deficits shown do not cover such part of the investment in the Canadian National, which is represented by any other form of capital than interest-bearing debt.

The Canadian Pacific is thus in a position to charge lower rates than would be possible if rates were made in Canada as they are in this country, with a view to providing a fair return upon the aggregate value of all railroad properly including the weak lines as well as the strong.

In 1931 the deficit of the Canadian National Railway was in excess of $84,000,000. In other words, the people of Canada paid over $1,600,000 a week, in taxes, in order to operate their railroad.

Computed on a per mile-of-road basis, railway tax accruals in Canada in 1926 were approximately $267 per mile and in the United States, $1,591 per mile. If the tax accruals in the United States were on the same basis per mile of railroad as in Canada they would have been approximately $330,000,000 less.

If relief is to be given to grain growers of our Middle West and Northwest, in order to put them on a parity for export with our Canadian neighbors, the foregoing facts demonstrate that a subsidy should be paid to the railway carriers large enough to permit them to lower the rates on grain to the lake ports or the seaboard in parity with their competitors to the north. Such a subsidy would not only benefit the farmers but permit the railroads to maintain their equipment, retain their employees, and prevent many of the security holders from going bankrupt.

In 1931 the Court of Chancery of the State of New York wrote:

Railroads are public improvements from which the public derives a benefit, and the legislature can appropriate the private property of an individual for the purpose of such improvements, or may authorize an individual or a corporation to thus appropriate it upon paying the just compensation to the owner for the same.

This quotation is one of the bases upon which Chancellor Walworth based an opinion relative to the right of a railroad corporation to take private property. Attention is called particularly to the first part of this quotation: "Railroads are public improvements. . . ."

If the lawmakers can justify themselves in creating statutes which will turn over public money to farmers or any other private individuals, how much more would they be justified in turning over public moneys to a corporation operating a "public improvement." It would be much better to give the grain grower a chance for equal competition than to hand him a dole of a few dollars, and then take part of it away from him in taxes to pay for waterway improvements which would not help him and for which no proof of their economic justification has been confirmed.

This and fiction, theory and condition, hope and belief are at present so thoroughly mixed in general discussions of the proposed canalization that a thorough unscrambling must be made before any step, which cannot be retraced, is taken.

I have endeavored to place these facts before you, so that when the details of the project are submitted to the Members of the Senate you may be able to render them your verdict in the dispassionate light of fact and reason.

The Use of Our Remaining Public Domain

EXTENSION OF REMARKS

OF

HON. EDWARD T. TAYLOR

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1934

STATEMENT OF HON. HAROLD L. ICKES, SECRETARY OF THE INTERIOR

Mr. TAYLOR of Colorado. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert a statement by Hon. Harold L. Ickes, Secretary of the Interior, on the subject of the orderly use, administration, improvement, and preservation of our public lands. His statement is in the form of an interview which appeared in the Saturday Evening Post of December 23, 1933. The bill to which the Secretary refers is H.R. 2835, introduced in the House on March 10, 1933, at the extra session. It was a copy of the bill as it passed the House and failed in the Senate in the Seventy-second Congress. I have eliminated the defective provisions he mentions and reintroduced the bill as H.R. 6462 on January 5, 1934. The Secretary's most timely, thoughtful, and public-spirited statement is as follows:

THE NATIONAL DOMAIN AND THE NEW DEAL

(An interview by Marquis James with Harold L. Ickes, Secretary of the Interior)

Here is a small piece of paper containing a few lines hastily written with a lead pencil. It is unsigned, but perhaps you might recognize the angular handwriting of the President of the United States. Let me read to you what he has written:

"Total dams and ditches, $13,500,000; hydroelectric, 6,000,000; first year, $4,500,000; acres to be irrigated, 60,000; elimination submargin, 300,000; subtract 60,000; total elimination, 240,000."

I intend to preserve this paper. It is interesting now. To my grandchildren it will be more so, as one of the acorns from which great oaks have grown.

The foregoing sets forth, in its shirt sleeves, the latest and most authoritative advices I have at hand on a pertinent phase of the spacious subject of our national domain and its conservation. The President jotted it down as we talked a few days ago. As everyone knows, reclamation of farming lands by irrigation is one arm of the diverse policy of conservation. That means bringing in more acres of tillable soil, and, quite naturally, the question arises: Why should we add to the sum of farming lands on the edge of the desert when, to get rid of the surplus of farm produce, we are having farmers in the old-established agricultural belts plow under standing crops? If that were all there is to irrigation, there would be no excuse for it; and such, indeed, has been the old irrigation policy.

But under the new set-up the case takes on a different color. By this policy, for every acre brought in by reclamation there will be withdrawn from cultivation, or attempted cultivation, submarginal lands of equal producing capacity, the ratio being about 5 acres withdrawn for every acre brought in.

The President's memorandum portrays a hypothetical example. We engage to spend on irrigation dams and ditches $13,500,000, say, and for hydroelectric equipment $6,000,000 more; the first year's expenditure being $4,500,000. Assume that ultimately this will transform 60,000 desert acres into crop-bearing soil, every acre of which, productively, will be worth 5 acres of submarginal land. Thus 300,000 acres of poor land will be retired, and we shall have 240,000 fewer acres in production than before.

WHAT THE NEW LAND POLICY WILL DO

This exemplifies a good land policy, a good conservation policy, a good social policy. Think what it will mean to the poor devils now eking out a squalid existence on soil which, in this country, one has no business trying to farm, to put them on land where, with the same or less effort, they can enjoy their share of the desirable things of life. In 1929, which was a pretty good farm year, 28 percent of all the farms in the United States produced less than $600 apiece; and this production comprised only 3.38 percent of all farm products sold in the United States. Forty-nine percent of our farms produced less than $1,000 apiece, and this production was less than 11 percent of tfhe national cash farm income. This shows where approximately half of our farm population stands today. As for their influence on production and on the surplus—why, it amounts to only slightly more than the effect of a couple of good seasonable rains in the Corn Belt.

We are ascertaining for the first time the amount of poor land that should be retired from cultivation, and in round figures it

seems to foot up to something in the neighborhood of 25,000,000 acres.

We have learned to take the bird's-eye view and to zone our cities, directing that in this area we shall have residences, in this retail stores, in this manufacturing. We now undertake to achieve a grand vision of the whole country, saying that this land shall be cropped, this shall be range, this shall be forest, this shall be worked for minerals. In this way, and no other, can we properly conserve—that is to say, use wisely—our natural resources and provide for a more equable distribution of their bounties.

We have reached the end of the pioneering period of go ahead and take. We are in an age of planning for the best use of everything for all. We must ultimately pull out from low-scale agricultural production, with its attendant evils of low-standard living, some millions of acres of submarginal lands. One fifth as many good acres will take care of the people now scratching them for an existence and will open for these people the gates of a happier life. The abandoned acres should pass back to the control of the Federal Government to be administered for the benefit of the Nation as a whole. In the East this land largely should be added to our national forests.

In the West, generally speaking, it should revert to the public domain as an addition to our grazing ranges. The Indians, who are badly in need, should also get their share. By such redistribution this soil will be of vastly more service to society than as crop land whereon a sizable proportion of our farming population struggles in vain to make a decent livelihood.

As to water power, the alternative is to turn it over to private interests for exploitation or to retain it is a public trust for public use. I believe in developing public resources for the benefit of the public, and do not see why we should hand them over to someone and tell them to make a profit. Almost all reclamation projects are susceptible of water-power development.

BIG WRITER TO BE BIG RIGHTER

And one more parenthetical word about the Indians. They bring up a conservation problem of a special sort—a matter of human and spiritual values rather than material values entirely.

Creek Indians of the old generation in Oklahoma have a word for the Secretary of the Interior that contains a certain amount of irony. Translated, it means "big writer." A century and a half of wrongs perseveringly visited upon the Indians have done much that is beyond repair. But as long as I am big writer, there will be no more thievery of Indian water rights and a dipping into tribal funds for the construction of fancy roads and bridges for white tourists to ride over.

Since 1904 our unreserved and unappropriated public lands have shrunk from 473,000,000 acres to 173,000,000. Much of this vast domain was taken up as farm and cattle-raising homesteads. That a considerable part of it was unsuited for those purposes, the present state of the agricultural proprietor and of the small stock raiser who has tried to make out on a homestead of 640 acres, bears conclusive testimony. With all good intentions, the Government has been a party to an unsound business allurement from the effects of which a great many of our citizens have suffered and are suffering. This wrong we propose to correct, making the Government a party to the retirement of poor lands from cultivation and to the voluntary relocation of the people who are trying to cultivate them on better properties.

Moreover, I propose to exert my influence to retain our 173,000,000 acres of public domain, and whatever may be added to it, under the control of the Federal Government, rather than to grant it to the States in which it lies. One school of conservationists favors this latter course. I oppose it because I feel certain that the selfish and short-sighted influences which have done so much to plunder our public domain and bring upon our heads the problems that now vex us would find it much simpler to have their way with State governments than with the National Government. Especially will this be true when the arm of the Federal Government is strengthened by the contemplated reforms which I hope within a few months will have the sanction of law.

The public domain, exclusive of mineral properties, performs an important function in our social and economic scheme. These 173,000,000 acres are situated largely in the 11 Western States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, and these States produce about half of the sheep and one sixth of the cattle that are raised in our country. By a decision of the United States Supreme Court, the public lands are a grazing common for the use of the public.

THE IMPORTANCE OF A BLADE OF GRASS

The Department of the Interior is charged with the administration of these lands but has very limited authority to control their use. The result has been tragic. Many years ago a member of the Geological Survey contemplated the bleak prospects of a grazing range, upon which the very roots had been eaten, and recommended that there be some authority to regulate grazing. He pointed out that without such regulation overgrazing destroyed the cover. Next season one found the grass depleted, and the stock ate out the roots. Then erosion set in, the headwaters of the streams silted up, and there were floods below—all traceable back to overgrazing.

As matters stand now, there is no authority to prevent overgrazing. I can go out with a thousand cattle and pick a range bare of everything that a cow or a steer will eat. You can follow with a herd of sheep. Sheep browze more closely than cattle, and they can subsist on a range where cattle will starve. Sheep will eat and tread out the roots of the grass. This situation was the genesis of the great sheep and cattle wars in the early days of the powder-stained West. Animosity between sheepmen and cattlemen is not uncommon today, but instead of shooting it out, as they did in the olden days, they have recourse to the local courts. These courts can determine who shall use the range as between rivals, but they cannot restrict the extent of its use. Thus the fundamental evil of the destruction of the range continues.

The cattlemen, like the oilmen, the coalmen, the timbermen, and every one of us who has had anything to do with the utilization of our resources of nature, have played a short-sighted game. We are all tarred with the same stick, and in no quarter of the country have we learned our lesson except when those natural resources have been exhausted or seriously depleted. Why are so many of the leading conservationists Easterners? Take President Roosevelt, Gifford Pinchot, T. R., Rexford Tugwell, Henry Morgenthau, Jr.—all are from east of the Appalachians, where the people are now paying so dearly for the acts of their lusty pioneer forebears. Our cattlemen have merely carried on a great American tradition.

It is illegal to fence the national grazing range, but during the war, when it was necessary to overlook a number of precedents and ignore a good many laws, permission was granted to erect fences on parts of the public domain in Arizona and in New Mexico. When the emergency passed, the fences were ordered down. Pressure was brought to bear and the fences stayed where they were, making, in effect, private preserves of the public range. Order has succeeded order, but the fences remain. I have directed that they shall be removed, and intend that this order shall be obeyed, even if it means some activity on the part of the United States marshals. I do not anticipate, however, that this will be the case. I feel that we shall soon have a "new deal" for the public domain that will mean so much for the cattle industry and so much for the country that this small, if vital, issue of the fences will solve itself in the right way.

TRUE CONSERVATION

In 1928 my predecessor in charge of the Department of the Interior obtained authority from Congress to undertake an experiment. Some of the poorest grazing land in Montana lay in the Mizpah River-Pumpkin Creek area in the southeastern part of the State. It had been abused until it hardly was fit for anything. The Department obtained permission to segregate 108,000 acres, part of it public domain and part privately owned, but of little use to the owners. This land was withdrawn from grazing and given a rest. Then it was leased to a privately organized association for $20 a section—a section being a square mile, or 640 acres. The association undertook to lease it to cattlemen at $1.25 a head. It put up fences, made water holes, dipping sheds, and other improvements; and it regulated grazing. The result after 3 years is that there is twice as much grass in the Mizpah as before, although the carrying capacity has been increased from 3,000 to 5,000 head. Moreover, I have been told that the calves last year weighed on an average 12 pounds more than in any previous year before grazing was regulated on that range.

This is true conservation, which, I repeat, does not mean holding a public resource in idleness, but using it wisely.

The success of the Mizpah River-Pumpkin Creek experiment has brought numerous requests from different parts of the West for permission to form similar associations and work out the grazing problem under Federal supervision on other segments of the public domain. I feel, however, that rather than deal with the matter piecemeal, it would be wiser to deal at one swoop with the whole public domain by giving this Department authority to regulate grazing on it, which, as a matter of fact, should have been done many years ago. Accordingly, last March there was presented in the House of Representatives by Mr. TAYLOR of Colorado a bill whose objects were defined in this language: "To stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry upon the public range, and for other purposes."

This bill was prepared in collaboration with the Department of Agriculture and had the benefit of its long experience with this problem. In the national forests, which are under the jurisdiction of the Department of Agriculture, grazing is regulated, and there has been no such deterioration of the range as has occurred on the public domain. This bill was passed by the House, but the Senate did not have time to act on it before adjournment. When Congress convenes again in January this bill will be punctually reintroduced.

The proposed legislation gives the Government an authority over its grazing lands that it should have possessed long ago, and will do for this great domain all and more than has been done in Montana by means of the Mizpah experiment. As drawn, however, the bill contains one serious defect. This is a provision that the act shall be ineffective in any State without the approval of the legislature of that State, and further provides that State lands may be lumped with Federal lands in a jointly administered project. I am opposed to this for the same reasons that I am opposed to transfer of our public domain to State control. The local political pressure for a return to the old evils would be a thing not easily resisted. But with this one section amended, I hope and expect that this great piece of legislation will be enacted at the coming session of Congress, and I cannot neglect this opportunity to urge my fellow citizens to support it.

To the lay mind, the word "conservation" usually connotes the work that has been done to preserve our forests and to create and maintain our national parks; and this, indeed, is an im-

portant aspect of the problem. A forest is the most highly developed of the natural social organizations of the vegetable kingdom and the most useful. A forest is a community of trees, as a city is a community of human beings, and had there been no forests in this country there would be fewer cities.

JEFFERSON MISSED HIS RECKONING

In a forest there is a struggle for existence, it is true, with each tree fighting to obtain its share of the good things of the universe, but, on the other hand, a forest is a cooperative community in which each tree helps its neighbor and contributes its part to the common protection of the young. A forest perpetuates the richness of its own soil. Its influence on streams averts floods and droughts. It sustains a population of animals and has made large sections of this continent habitable for man, aside from the contributions to man in the form of fuel and building materials. The disappearance of forests has rendered millions of acres of our country so inhospitable to man that wisdom suggests that the residents move out and give this land an opportunity to recruit its life-sustaining powers as a part of the public domain.

Seven eighths of the eight hundred and odd millions of acres of virgin forest within the bounds of the United States already have been destroyed, and, though abuses continue in what remains, the lumbering interests have awakened to the grave nature of affairs. Originally lumbering was centered in the Eastern States. These forests denuded, it moved into the Hardwood Belt in the Middle States and into the Lake region. Then it went south. Now it is on the Sierra slopes and the Pacific Northwest, which is the last stand. Wasteful lumbering and fires have destroyed these forests, which, with the buoyance of youth, pioneer American enterprise deemed inexhaustible. As thoughtful a man as Thomas Jefferson reckoned that it would take civilization 100 generations to march from the Appalachians to the Pacific. He missed it by 95 generations.

About half of the timber available for lumbering is in private hands, and half lies within the Federally owned and protected national forests. That in private hands supplies 97 percent of the current lumber production. Of late years lumber companies have undertaken reforestation on a large scale.

NATIONAL FOREST ADDITIONS

I am unwilling, however, to intrust the entire problem to private owners. If it had not been for the far-seeing and competent administration of our national forests by the Department of Agriculture, the situation would be much worse than it is. There should be large additions to our national forests, which now cover barely one fifth of our possible timber-growing areas. The young men of the Civilian Conservation Corps have in 6 months accomplished as much that will enhance the happiness of coming generations as has been accomplished by all other agencies dealing with reforestation in the past 15 years. They have planted trees on national land, State land, county land, and private land. Nature and time will do the rest. And most people thought that this work was simply an excuse for taking a quarter of a million idle youngsters off the streets.

Moreover, $20,000,000 from the C.C.C. funds have been set aside for the purchase of new lands to be added to the national forests. The National Forest Reservation Commission has in mind the acquisition of approximately 42 tracts aggregating 7,280,000 acres. This will exhaust the fund. These units are located in 14 States, the westernmost of which is Minnesota. Four of these States—Missouri, Illinois, Kentucky, and Mississippi—now contain no national forests.

In the far West, territory is being added to the national forests under the General Exchange Act by swapping land for land and land for stumpage. No money payments are involved.

The conservation of scenic values is one of the most interesting and worthwhile of our efforts, and it is a thing that cannot be done by the Federal Government alone. It must reach down to every village and community in the land. Grand Canyon, Yosemite, Glacier Park, Acadia, the Great Smokies—the very names expand the heart. But what would they have meant to us if the Government had not taken them in hand? Private interests will exploit anything. They would put a sign on the Washington Monument if you would let them. How often have you gone through the country and seen a beautiful, majestic boulder turned into an advertisement?

We are approaching a time when we shall have more leisure. What better use can be made of it than just wandering about, looking at the scenery? Take the range: North in the summer, South in the winter, California at all times. But we must educate our people to a sane use of leisure. For one thing, I hope to see the system of national parks greatly enlarged. There are inspiring, beautiful places in nearly every State in the Union which could be set aside as national parks with profit to all.

They should be joined by great roads. The other day I listened to Senator Byrd, of Virginia, as he sketched his vision of a road a hundred feet wide from the Shenandoah to the Great Smoky National Park. The President amplified the picture. He said he would like to see the road begin at the Canadian border in Vermont and sweep down through the Green Mountains, through the Berkshires and to the Blue Ridge, joining the Senator's project. This would be a great thing, a great thing for the interior life of our people. There shouldn't be a billboard in sight. The right-of-way should be landscaped and planted like the Bronx River Parkway and contiguous systems leading north from New York City. It costs little to set out trees when a road is built. Then, in 25 years, see what you have.

Suppose that you owned 5 acres. Would you go out and cut down every tree and burn it in the fireplace? We have 5 acres at our place in Winnetka, north of Chicago. When the house was built in 1916, a few trees had to be removed. These filled the cellar with firewood. Since then I have cut down only dead trees and worked up the windfalls, and the cellar is still filled. And I do not have a billboard on the front lawn.

We must get a sense of personal responsibility toward the national resources as a whole. That is all there is to conservation. If we do not, we waste; and if we waste, we find ourselves in the hands of the sheriff, as the coal industry has done.

BUYING BACK A GIFT

Conservation is economy. Consider Chicago. The early fathers were open-handed go-getters. They pressed miles of the beautiful Lake front upon a railroad. Our generation is taxing itself hundreds of millions of dollars to get back that lake front. When we cut down a tree that has been a hundred years growing and make a house of it, we think we are being progressive. But, unless steps are taken to replace that tree, another generation will pay a heavy cost for our lack of imagination and of regard for the rights of the other fellow.

One afternoon I got to my home in Winnetka earlier than usual, and while walking about the grounds I found a woman inside the fence filling a market basket with flowers.

I asked her if she was aware that she was on private property.

The inquiry did not disturb her. "Oh", she said, "I thought it would be all right."

That's the trouble. We've always thought it would be all right. We are not woods broke. We see something lovely or useful—and we reach and take. A century of this, and behold the evils that have followed in its train; depleted timber and mineral resources; depleted ranges, erosion, and floods; millions of acres rendered unfit to support human life decently. Now, what are we going to do—go out and correct these conditions, complex as they have grown, and painful and expensive as readjustment at this late date may be in some of its details, or shall we fold our arms and say that these things are the way of the world and no help can be found for them?

The Sugar Industry in the Philippine Islands

EXTENSION OF REMARKS

OF

HON. PEDRO GUEVARA

RESIDENT COMMISSIONER FROM THE PHILIPPINE ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 8, 1934

STATEMENT OF HON. RAFAEL ALUNAN RELATIVE TO THE SUGAR INDUSTRY OF THE PHILIPPINES

Mr. GUEVARA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement regarding the sugar industry of the Philippines prepared by Hon. Rafael Alunan, president of the Philippine Sugar Association and formerly secretary of agricultural and natural resources and secretary of finance of the government of the Philippine Islands:

PRIOR TO AMERICAN OCCUPATION

Long before America went to the Philippine Islands, the sugar industry was in a highly developed state, Philippine sugar being able then to compete in the world's markets. In 1855 the Philippines exported 53,172 short tons of sugar. By 1875 the sugar exports of the islands had increased to 141,218 short tons, and in 1895 the Philippines reached its record of sugar exportation under the Spanish regime, exporting 376,401 short tons of sugar that year, a figure which was not exceeded until 1922.

During the 6 years of warfare caused by the Philippine revolution in 1896 and the conflict with the United States lasting until 1902, the sugar industry was ruined and paralyzed to such an extent that for over 10 years after American occupation sugar exports of the islands decreased to negligible quantities.

FIRST 10 YEARS UNDER AMERICAN SOVEREIGNTY

In the Treaty of Paris, providing for the cession of the Philippine Islands by Spain to the United States, the following provision was included:

"Article IV. The United States will, for the term of 10 years from the date of the exchange of the ratifications of the present treaty, admit Spanish ships and merchandise to the ports of the Philippine Islands on the same terms as ships and merchandise of the United States."

In view of this provision of the treaty, free trade between the United States and the Philippines could not be established until the expiration of the 10-year period provided for in said treaty.

However, in view of the appalling condition of the sugar industry of the islands as a result of the ravages of war and revolution, in response to the pleas of the American Civil Governor and American members of the Philippine Commission, Congress

passed, on March 8, 1902, the Philippine Tariff Act, providing, among other things, that articles that were the growth and product of the Philippine archipelago going into the United States were given a reduction of 25 percent of the rates of duties imposed by the United States under the Dingley Tariff Act of 1897.

FREE TRADE WITH THE UNITED STATES

On August 5, 1909, Congress passed the Payne-Aldrich tariff law, establishing free trade with the Philippine Islands and allowing sugar free entry into the United States to the extent of 300,000 tons.

During the consideration by Congress of this legislation proposing free-trade relationship between the Philippines and the United States the Philippine people opposed the adoption of this measure, and through their Philippine Assembly, on March 27, 1909, adopted a joint resolution petitioning Congress not to establish free trade on the ground that, in the words of the petition, "* * * Free trade between the United States and the islands would in the future become highly prejudicial to the economic interests of the Philippine people and would bring about a situation which might hinder the attainment of the independence of the said people."

It is pertinent to record here the statement of the venerable former Senator Elihu Root, who, when addressing the Senate on this subject in connection with the passage of the Payne-Aldrich bill in 1909, establishing free trade with the Philippine Islands, expressed the Republic viewpoint in the following words:

"Mr. President, we have some duties to the Filipinos. I am sure no Member of this body really desires to bring about a separation between the Philippine Islands and the United States by making our administration of the government of those islands a failure, by making the guardianship of the United States the cause of injury rather than a benefit, the cause of disaster and poverty rather than of prosperity and growth.

"The die is cast, Mr. President, upon which we have the responsibility for the Philippine Islands. No action of ours can reverse it. The good faith, the good name, the honor of the American people are all pledged to lead the people of the islands on bypaths of growing prosperity and capacity for government to the point where they will be capable of supporting and governing themselves.

"We cannot fulfill that high duty by giving them money. * * * Gifts of money tend to reduce the independence of the individual character. We cannot fulfill the duty of making the islands unsuccessful in business, by retarding and confining their industry. We can fulfill it only by giving to them the opportunities to national power, to grow in the accumulation of property and the diffusion of wealth, lying at the foundation of civilization. We can fulfill that duty by making the people of the Philippines at once prosperous and intelligent."

In 1913, when the Democratic Party came into power, Congress enacted the Underwood-Simmons Tariff Law on October 5, 1913, which moved the restrictive provisions of the previous law of 1909 with respect to sugar and tobacco. Congressman Underwood, who sponsored the bill, explaining the removal of these restrictions on the floor of the House, stated as follows:

"The change in this paragraph of the bill is largely striking out the limitation on the importation of sugar, filler and cigar tobacco, and wrapper tobacco. We may leave the limit where it is, but we would leave it where it is to the shame of every American citizen. We could not honestly face those dependent people who give us free trade in their markets if we close our doors here. Because we do not want to stand and face that world in such a position as that and say (to the Filipinos) that under our law we command you to open the door, so that American goods can flow into your country, because we have the power to do it, and then turn around and say to them that on the only thing they can import, practically, into our country and make a market for, we will close our doors and prevent them developing their trade. I say that no true-born American citizen who faces this question fairly and squarely and understands the situation will consent to that."

That statement of Congressman UNDERWOOD has since been the guiding policy followed by Congress in dealing with Philippine products coming into this country.

The establishment of free trade had the immediate effect of attracting American capital into the islands for the development of the sugar industry. In 1910 a group of Americans obtained concessions in the Island of Mindoro, a heretofore undeveloped, uninhabited property, and constructed the first modern centrifugal sugar factory in the Philippine Islands. Two years later two other American companies established sugar centrals at Calamba, on the Island of Luzon, and at San Carlos, on the Island of Negros.

Thus, the modern development of the sugar industry was initiated by pioneering American business men and American capital, for it took a decade to convince the Philippine farmers of the advantages of improving their sugar production and manufacture along modern methods, and not until 1918–21 were the Filipino producers convinced of the necessity of modernizing their methods of manufacture and began to establish six so-called "bank centrals" with the financial aid of the Philippine National Bank.

The result of this change, the replacement of these thousands of primitive, inefficient, wooden carabao mills by modern centrals and factories, together with the recent improvement in methods of cultivation and planting of higher yielding cane varieties, sugar production in the Philippines in the past two decades has naturally doubled and trebled as has happened in Cuba, Hawaii, Puerto Rico, Java, Formosa, and other sugarcane producing countries when those countries changed their methods of manufacture from the antiquated mills to the modern factories. For it is a well-known fact that the wooden carabao mills then in vogue in the islands could only extract 30 or 40 percent of the sugar content of the cane while the modern sugar central factory recovers as much as 92 to 95 percent of the sugar in the cane. Had the cane harvested in 1895, which turned out a production of 431,000 short tons, been milled by the modern centrals now established in the islands, the result would have been a production of about 1,100,000 short tons.

For the 5-year period, 1902–3 to 1906–7, Cuba produced an average of 1,300,000 tons. Ten years later, from 1912–13 to 1916–17, Cuba almost trebled its production to 3,100,000 short tons.

Puerto Rico, for the 5-year period, 1897–1901, produced annually an average of 69,000 short tons. Five years later, 1902–6, it more than doubled its production to an annual average of 155,000 short tons, and still 5 years later, from 1907–11 it quadrupled its production to an annual average of 285,000 short tons.

Hawaii had an average production for the 5-year period 1895–99 of 227,000 short tons. The following 5 years, from 1900–1904, its production increased to 362,000 short tons, or an increase of 60 percent, and for the next 5 years, from 1905–9 Hawaii had an average production of 470,000 short tons, or more than double its production of the past 10 years.

The modernization of the sugar industry of the islands, which has taken place in the past 2 decades, has now been completed with the establishment of 44 modern sugar factories, with a normal productive capacity of 1,400,000 short tons, in the districts where formerly thousands of antiquated muscovado mills were in operation for centuries.

There has been very little increase in the acreage for sugarcane in the Philippines since the Spanish regime. In 1895, when the Philippines produced its record production of 431,000 short tons, there was planted to sugarcane that year at least 500,000 acres of land, as compared with 596,000 acres planted in 1921, and 633,000 in 1931. As a matter of fact the recent increase in production was mainly due to increased yields resulting from the substitution of the old native cane with new higher yielding cane varieties.

EFFECT OF THE AMERICAN TARIFF

By virtue of the free-trade relationship which exists between the Philippines and the United States, practically all of the Philippine sugar exported abroad goes to the United States where it enjoys a preferential-tariff immunity of 2 cents per pound, as compared with Cuban sugar, and 2.5 cents per pound, as compared with foreign sugar. With the tariff preference Philippine sugar can compete with Cuban sugar and other foreign sugars in the American market. If subjected to a tariff of 2.5 cents (or even 2 cents) gold per pound, Philippine sugar could not be marketed in the United States at the present time.

The Philippine sugar industry has thus been developed within highly protective tariff walls both at the market in the United States and at the place of production in the Philippines, with the result that the industry cannot survive world's competition if the American tariff protection is withdrawn.

POLITICAL, SOCIAL, AND ECONOMIC EFFECTS

Being the most important industry, sugar has brought to the people of the islands immense benefits affecting their social, economic, and political life. These benefits may be summarized as follows:

(1) With the investment of approximately 250 million dollars the country has increased its wealth-producing capacity. This investment turns out an annual production of sugar valued at approximately $75,000,000, which is approximately 40 percent of the total value of all agricultural products of the Philippine Islands, including rice and other food products.

The investment in this industry is controlled by Filipino and American investors. Part of the investment made by the Filipinos was borrowed from their national bank, with encouragement from American officials. Very little of the capital may be called foreign capital. The total aggregate investments in the Philippine sugar industry amount to $251,512,535, as follows:

Investments in centrals	$84,012,535
Investments in lands	140,000,000
Crop loans	22,500,000
Miscellaneous investments	5,000,000
Total	251,512,535

Of the total of $84,012,535 invested in centrals, 40 percent is American investment, 37 percent Filipino, 22 percent Spanish, and 1 percent cosmopolitan, as shown in the following table:

Nationality	Number of centrals	Total investments	Percentage of total investments
American	12	$33,815,650	40
Filipino	22	31,127,894	37
Spanish	9	18,276,574	22
Others	2	792,417	1
Total	45	84,012,535	100

The investment classified as Spanish includes investments made by two of the oldest established companies in the islands—one established 75 years ago and the other more than 50 years ago—so that it is generally considered in the Philippine Islands that these are Philippine investments. Moreover, many of the holders of the stock of the centrals classified as Spanish are in fact Filipinos.

Of the 45 centrals in the Philippine Islands, approximately 24, or more than one half of them, are small mills, with capacities ranging from 150 to 750 tons of cane per day. Most of these mills are financed by a group of Filipinos, while a few others were established by cosmopolitan investors, including Filipinos, Americans, and others. No Chinese are financially interested in the mills.

Practically all the lands devoted to the cultivation of sugarcane in the Philippines are tilled by Filipinos. Filipinos engaged in sugar cultivation in the Philippines, including their families, number 2,000,000.

Unlike other sugar-producing countries, which must rely on foreign labor to grow sugar, the Philippines depends solely upon native labor for its production of sugar. It is to be noted in this connection that, considering the social value of the sugar industry, the Philippines can claim that all of the benefits accruing to the people who grow the cane goes to 100 percent Filipino labor, owing allegiance to the United States, a record which cannot very well be matched by other sugar-producing countries supplying sugar to the United States.

(2) Of the 48 provinces, 17, with a population of over 7,000,000 people, or more than half of the total population of the islands, are directly or indirectly dependent upon the sugar industry. At least 2,000,000 farmers, laborers, and their families depend for their livelihood upon the growing of sugarcane.

(3) The sugar industry more than any other industry in the islands has been responsible for uplifting the standard of living of the Filipino people. Recognized authorities place the standard of living of the Filipino people 300 percent above that of the peoples of their neighboring countries.

(4) The money spent by the centrals and the planters for the purchase of supplies and materials required by the sugar industry amounts annually to approximately $30,000,000, or over 60 percent of the total money in circulation in the islands.

(5) The sugar industry is the main support of the Philippine Government. For every dollar of value of sugar produced in the Philippines the Philippine Government derives in sales tax and other taxes approximately 20 cents. The value of 1,283,000 short tons produced for the past crop aggregates $75,000,000, from which the Philippine Government will derive a revenue of $15,000,000. The income of the Philippine Government for 1933 is estimated at $24,000,000, so that it derives 60 percent of its revenue from the sugar industry.

(6) In 1932 the value of sugar exported from the Philippine Islands constituted 63 percent of the total value of all their exports, as may be seen from the following table:

Value of principal exports from the Philippines for the calendar year 1932

	To all countries		To United States	
	Value	Percent	Value	Percent
1. Sugar and by products	$60,359,000	63.31	$60,145,000	99.64
2. Coconuts and manufactures of	15,455,000	16.21	12,063,000	78.05
3. Tobacco and manufactures of	6,399,000	6.71	3,243,000	50.68
4. Manila hemp and manufactures of	5,675,000	5.95	1,893,000	33.35
5. Embroideries	3,267,000	3.42	3,252,000	99.53
6. Lumber and timber	835,000	.87	173,000	20.74
7. Hats	591,000	.62	435,000	73.71
8. Pearl buttons	244,000	.26	244,000	100.00
9. Other exports	2,514,000	2.64	1,200,000	47.73
Total	95,339,000	100.00	82,648,000	86.69

(7) The success of the cooperative system which has characterized the production of sugar in the Philippines has made the people realize the advantages of cooperative efforts among small producers and farmers. In other words, the sugar industry of the Philippines has become a model for a modern scientific development of their other agricultural industries.

AMERICAN-PHILIPPINE TRADE

Since the United States took over the Philippine Islands in 1899, America's trade with the Philippines has increased 40 times, from a little over $5,000,000 in 1899 to over $200,000,000 in 1929. United States sales to the Philippines since American occupation have increased 91 times, from $1,350,000 in 1899 to $92,600,000 in 1929. On the other hand, United States purchases from the Philippines increased 32 times, from $3,935,000 in 1899 to $124,465,000 in 1929.

These figures show a most significant fact; that is, that the purchasing power of the Philippine people for the products of American farms and industries have increased at a relatively greater rate than their sales to the United States.

Under the free-trade relationship between the United States and the Philippines, American exporters have practically a monopoly of the Philippine market. In other words, 97 percent of American products entering the Philippines are protected by the Philippine tariff. This monopoly of American exports to the Philippine market has been strengthened recently by the Philippine Legislature passing six amendments to the Philippine tariff law increasing the advantages of American products in that market.

Today the Philippines is the best market for American cotton goods, dairy products, canned sardines, and galvanized iron sheets.

As sugar constitutes 63 percent of the total value of all exports of the Islands, the purchases of the Islands from the United States are mainly paid for by the sugar exported to this country.

INCREASING POPULATION

When the United States went to the islands, the Philippines had but a population of around 7,000,000. However, after 35 years of American guidance, during which time we have improved our sanitary service, our population has doubled until it is now approximately 14,000,000. The Filipinos are becoming more and more Americanized in tastes and in habits, so that if their progress continues, it is reasonable to expect that in 10 or 20 years from now our population will have increased to 20,000,000 or 30,000,000 people, all of whom will have acquired the American ways of living, and who will constitute probably the best customers of America in the world. Recognized experts claim that the Philippines, properly developed, can support a population of from 60,000,000 to 70,000,000, or approximately half the inhabitants of the United States.

LIMITATION OF PHILIPPINE IMPORTS INTO THE UNITED STATES

The foregoing facts and data demonstrate the absolute dependency of Philippine sugar upon its free entry into the United States. They also demonstrate the truth that the political, economic, and social life of the Filipino people mainly depend upon the status of the sugar industry, which supports the Philippine government to the extent of 60 percent of its revenue.

Recognizing, however, the overproduction of sugar the world over, which brought about the present depression in the sugar industry, and appreciating the feelings of the domestic sugar producers here toward an unlimited expansion of the Philippine sugar industry, the sugar producers of the Philippine Islands are ready to cooperate and assist in the stabilization of the sugar industry either through a limitation of Philippine sugar imports to this country, based on the past year's imports, or through a quota system, such as provided for in the proposed marketing agreement, agreed to by the producers of the areas supplying sugar to the United States.

This and other similar adjustments or balancing of the benefits derived from the economic relationship between the United States and the Philippines will, in my humble opinion, bring about a harmonious and mutually advantageous economic intercourse between the two countries.

Federal Old-Age Pensions

EXTENSION OF REMARKS

OF

HON. THOMAS O'MALLEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 8, 1934

RADIO ADDRESS OF HON. JENNINGS RANDOLPH, OF WEST VIRGINIA

Mr. O'MALLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered recently by Hon. JENNINGS RANDOLPH, of West Virginia:

The world has just passed through 4 years of experience which has tried the very souls of men and women. During this walk through the valley of the shadow we have learned many lessons which we needed to learn, and it seems to me that one of the greatest lessons which have come out of these 4 years of hardship has been the positive evidence that we are our brother's keeper whether we realize this fact or not. I have heard an experienced hunter of big game say that during the time of drought when water is scarce in the jungles of the big game countries, the fiercest of animals take their turn at the only waterhole and that they do no killing there because they instinctively realize that harmony and cooperation are essential for survival.

During the past 4 years the whole of the human race has literally been driven to civilization's common waterhole, and as we gathered around this watering place we were forced to cooperate, the rich and the strong giving aid to the weak and the poor. Seeing the absolute necessity of this form of friendly cooperation, the President of the United States began immediately after entering office last March to create plans for the sole purpose of distributing fairly the necessities of life and the opportunities for earning a living.

I am deeply grateful because I can truthfully say, as I speak to you today, that the President's program of business recovery through organized cooperation has brought us out of the darkness

of the jungle in which we have been lost for the past 4 years, and now that we have learned the practical value of mass cooperation it is both our duty and our privilege to appropriate this knowledge and to use it for our future guidance. If friendly cooperation is helpful to people caught in the maelstrom of a great world economic upheaval, it will be equally helpful in the time of prosperity, when we do not face the necessity of fighting shoulder to shoulder to defeat our common enemy, poverty.

Having gone through this despairing depression, and having seen and felt the effects it has produced in terms of misery and human suffering, I was truly grateful to Dr. J. E. Pope for inviting me to speak to you on the subject of what I conceive to be one of the most commendable and necessary forms of cooperative effort. I have reference to the great movement which is sweeping this entire nation, the object of which is to provide old-age pensions for men and women who have reached the late afternoon of life without the means necessary to sustain them.

A group of thoughtful and far-sighted men and women have organized the National Old Age Pension Association, whose aim and purpose are to secure the necessary legislation to insure men and women against starvation in old age. Their leader, Dr. Pope, has given me a very clear outline of the legislation they are seeking and I wish to tell you why I favor the program and why I believe you should do the same.

First. The idea of pensions for old people who can no longer work and who must become public charges is in full harmony with the "new deal" philosophy of our national leader. The President has already sounded the death knell of child labor. We have improved working conditions and hours of labor and the basis of compensation, all of which has met with the hearty approval of the American people, and I am sure that I voice the opinion of every charitably inclined person when I say that the "new deal" should be extended to include practical help for the aged.

Second. The plan and purpose of providing pensions for the aged is, as I conceive the facts, in full harmony with the Golden Rule laid down by the Master as a sound rule of human conduct. I am sure that there is no person who would wish to face old age burdened by the misery of poverty. We cannot truthfully say, in behalf of civilization, that it has produced a race of human beings who do unto others as if they were the others, as long as we permit the old and decrepit people to be sentenced to poorhouses.

Third. The old-age pension plan is inspiring because it serves the very commendable purpose of helping to keep self-confidence and courage alive in the hearts of men and women in the hour of adversity. I have heard it said that a man is never whipped until he accepts defeat in his own mind, and I believe this to be true. I earnestly believe, therefore, the old-age pensions would have the effect of kindling anew the fires of hope in the breasts of those who have met with temporary defeat, thus enabling them to carry on and to reestablish themselves without becoming public charges.

Fourth. The old-age pension plan is sound because it gives the individual a chance to profit by rendering useful service to others. Apropos to this thought a very distinguished philosopher once said: "Help thy brother's boat across and lo! thine own hath reached the shore." That is sound philosophy because it pays dividends in terms of happiness as well as in terms of material knowledge. I would add slightly to the thought of the philosopher whom I have quoted by saying, "Help thy father's and thy mother's boat across, as well as thy brother's."

Fifth. I believe the old-age pension plan to be good because our own President has said that he is sympathetic toward this principle, and I am sure that he meant what he said because he signed the old-age pension law while he was Governor of New York, providing help for the aged of that State.

Sixth. I believe this is the proper time to provide old-age pensions because it is an era of practical reformation during which civilization is undergoing many needed refinements leading in the general direction of helping the poor and the weak to compete successfully with the rich and the strong. I believe it just as essential to give financial aid to old people as it is to call a halt on unscrupulous Wall Street bankers and the privileged classes who have been exploiting all of the people in every way that was available. We have backed the President solidly by public opinion in his attempts to curb those who had gained control of most of the wealth; now let us back those who are laboring for the purpose of protecting old people who, through no fault of their own, face a common enemy which is just as merciless as any human being who exploits his fellow men * * * the enemy of old age and poverty.

Seventh. I am personally in favor of the old-age pension program because I have observed during the past 4 years that no one is immune against poverty; that riches have a way of doing the disappearing act; that the rich and the poor may be made to change places without warning; and having made these observations I have been forcefully impressed by the thought that there is no such reality as enduring independence; that we are all dependent upon others in one way or another. It seems to me that the worst possible foe of dependence is that experienced by the aged person whose physical infirmities make it impossible for him or her to conceive plans and translate them into life's necessities.

Eighth. Lastly, I believe in the movement for old-age pensions, because it is in harmony with my conception of practical applied Christianity. I do not believe that the Nazarene would condemn old people to a poorhouse. I believe that He would be shocked by the very thought of imprisonment for life in a poorhouse; therefore, I, too, am shocked by the thought. We live in the richest country on this earth; we have an abundance of everything that human beings can use, both the necessities and the luxuries; we live in one Nation of this world where every form of freedom is given the greatest possible expression; and I say to you, my friends, that we have no right to enjoy these great blessings without a willingness to share them with aged people who, by the very nature of their physical beings, are not able to appropriate their share without our cooperation.

Not long ago I read a set of textbooks entitled "The Law of Success", written by Napoleon Hill. I was deeply impressed by his analysis of the six basic fears which tend to confound and undermine the efforts of human beings. The thing that impressed me most about these fears was the fact that four of them were very directly related, these four being (1) the fear of old age, (2) the fear of ill health, (3) the fear of poverty, and (4) the fear of death.

I never stopped to analyze the damage done by these fears until I read Mr. Hill's statement in which he pointed out that any one or more of these may lead to insanity, or to the commitment of crime, or to various forms of cheating at trade. It seems to me that the two most dreadful of these are the fear of poverty and the fear of old age. There is a direct connection between these two. The fear of old age generally is brought about by its close relationship to the possibility of poverty which may come with it. Through the 4 years' depression we had an opportunity to catch a fleeting glimpse of what can happen to people who stand in fear of poverty * * * even to young, healthy people who had not yet felt the approach of old age. We know that this terrible fear caused thousands to lose initiative and ambition and quit trying. We know also that large numbers of people took their own lives because they could not bear the thought of facing old age in poverty.

I do not know how my colleagues here in Congress feel about the subject, but for my own part I have seen enough of the misery of old age and poverty to cause me to cooperate wholeheartedly with those earnest men and women who are endeavoring to relieve old people of the suffering which comes from fear of poverty and old age. I conceive it to be my duty to help provide this protection for your mother and your father and my own mother, should they need financial aid from their Government in the late afternoon of life.

As Dr. Pope has explained the program of the National Old Age Pension Association to me I understand it to advocate, broadly, these five worthy ends:

First. Provision for the payment of a pension of $30 per month to every resident American citizen on and after the age of 65 years.

Second. Persons 65 years of age or over who refuse to accept retirement from active competitive earning not to be allowed pensions until such a time as they actually retire.

Third. Any person above the age of 40 and under 65, who is a citizen of the United States, who, by reason, of physical or mental inability, cannot earn a livelihood, shall be paid the sum of $20 per month.

Fourth. The Congress of the United States shall require each and every person, male or female, between the ages of 21 and 45, on and after the passage of the old age pension act, to pay into the Post Office Department, through the Postal Savings Division, a very small percentage of all gross earnings from salaries, wages, hire, or from any other source, whether it be from salary, commissions paid, from dividends earned, or from profits arising from any transaction; the returns to be made monthly together with the payment of assessments such as the Congress may levy against such earnings or income.

Fifth. The President of the United States shall appoint a director of pensions, to become the chairman of the United States Pension Board, the other members of the board to comprise the Postmaster General, the Secretary of the Treasury, and the Secretary of Labor, the said board to have the power to scale downward the assessment of tax against earnings, as the occasion and conditions of the pension fund may seem to warrant. In other words, if it is found that less than one half of 1 per cent of earnings of all persons over 21 and not over 45 will suffice, they shall then be authorized to reduce the scale of rate of assessment accordingly.

You have, in these five proposed principles, the sum and the substance of what will be required in order to permit the aged people of this country to approach their declining years without the fear of poverty.

My object in speaking to you on this subject is to inform you, as fully as I can in the few minutes which have been allotted to me, of the plan for providing pensions for old people and to ask that you communicate with me by letter, offering any suggestions you may have in mind for the improvement of this proposed program. I have given you a brief outline of my own personal reasons for favoring this proposal, but I shall of course be guided also by the wishes of my constituency in the Second Congressional District of West Virginia, when the time comes to vote on legislation providing this pension protection to unfortunate old people. May I not suggest, therefore, that those outside of my district who may be listening, communicate with their own Representatives in Congress, conveying to them your wishes and your suggestions in connection with this important plan.

Before closing I wish to assure you all that we who represent you here in Washington, approach our task at this session of Congress with greater hope and courage than we had at the last session, and out hopes are not based upon ephemeral causes. Millions of men have been put back to work since Congress adjourned last summer and the words "business depression" have been pushed off the front pages of newspapers all over the country

and their place has been filled by the words "business recovery." We have genuine cause to be thankful throughout the length and width of this great country of our, because we have weathered the worst storm that most of us have ever known. Our national leader has demonstrated, through his message to Congress this week, and by the expression on his face and the tone of his voice that he, too, approaches the new year in a spirit of hope and courage.

There is no escaping the fact, my friends, that we are safely established on the road that will lead us back to happiness and prosperity. Let us not forget, then, our obligation to those poor old persons who fear the poorhouse more than the average persons feared the business depression. We have passed through the worst and we now have it behind us, but there are millions of worthy old men and women in this country who now and in the future will face a real cause of fear a hundred times greater than the fear of depressed business.

Ingratitude is among the more reprehensible of human qualities!

Let us not be ungrateful for our delivery from the fear of poverty, and let us demonstrate our gratitude for this great blessing by helping to provide protection to those who are not in position to provide it for themselves.

There is plenty in this world for all of us. We cannot take anything with us when we cross the Great Divide. Moreover, the riches which most people accumulate come as the result of some form of cooperation from others. It is a great blessing to possess riches, but it is a greater blessing to possess, also, a heart that is willing to use riches in behalf of those who are helpless.

"Honest Inflation"

REMARKS

OF

HON. BENNETT CHAMP CLARK

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Monday, January 8, 1934

ARTICLE BY EDWARD TUCK IN SCRIBNER'S MAGAZINE, ENTITLED "HONEST INFLATION"

Mr. CLARK. Mr. President, I ask unanimous consent to have inserted in the RECORD an article appearing in Scribner's Magazine entitled "Honest Inflation", by Edward Tuck, founder of the Tuck School of Business Administration at Dartmouth College.

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

HONEST INFLATION

(By Edward Tuck, the founder of the Tuck School of Business Administration at Dartmouth College)

The firm and judicious resistance which President Roosevelt has offered to inflation has a sound basis. He recognizes that merely to add to the already swollen volume of promises to pay can avail nothing against the day of reckoning when paper money comes to its ultimate redemption. The basis for the demand for inflation rests upon the growing world conviction that the real cause of present economic conditions is monetary. To this "monetary morbus", as Cernuschi called it, is due the present collapse in prices, stagnation in business, and increase in poverty in all countries.

A correct idea of the nature and functions of money in general is a necessary preliminary to the proper appreciation of the merits of the conflict between bimetallism and monometallism which is now more and more agitating the commercial world.

Money is an instrument of valuation, established by law, to measure, compare, and exchange values, and to serve as a legal tender for debts. The material of money is in principle unimportant, except so far as it is liable to affect the aggregate amount in existence—the total monetary mass. The value (purchasing power) of money is increased or decreased, ceteris paribus, in inverse proportion to its volume. Indefinite issues of paper money create redundancy and depreciation. Comparative fixity or limitation of supply is therefore requisite to give reasonable stability to the value of money. Paper money can be increased in amount indefinitely, at the will of the sovereign or of the legislators, while metallic money is susceptible of only a limited and measurable annual increase, which distributes itself among the nations. Added to the total accumulated monetary mass existing throughout the world, this increase forms but a very small percentage, and serves barely to supply the needs of constantly increasing population, production, and commerce. For these reasons it is agreed that metallic money alone constitutes a safe standard of value. From very early days, gold and silver have been selected by nations whose civilizations are built upon trade as the world's money metals. Hence they have received the name of "the precious metals."

It is the legal function of money that gives to the metal its great value. It is the legislator who bestows upon the metal this function. The legislator can withdraw the money function and thereby destroy the metal's great value. Hence the term, "intrinsic value," applied to money, is misleading. Its value is almost entirely extrinsic. Aristotle says:

"Money itself is only a frivolity, a futility; it has value only by the law and not by nature inasmuch as a change of agreement among those who use it can depreciate it completely."

If an example be needed to prove conclusively the accuracy of the great philosopher's conception of money, we have it in the monetary history of the last 60 years as regards silver.

Bimetallism is the privilege of unlimited coinage of both gold and silver as full legal tender money, at a ratio of weight fixed by law. This does not mean, as some suppose, redemption, or convertibility, of one metal by or into the other. Both metals stand on a perfect equality before the law. In the United States the silver dollars and silver certificates at present outstanding—four hundred and sixty-five millions in all—always stood at a parity with gold by reason of their equal legal tender quality for all debts. There is no good reason to doubt that the whole amount of silver belonging to our Government, including the silver bullion, could be paid out—were specie payments resumed—in dollars or in certificates, and retained in circulation at par with gold, as was the case, prior to our going off the gold standard, with the silver dollars and certificates then outstanding.

Turgot, the great economist, and minister of finance to Louis XVI, said:

"Gold and silver are constituted money, and universal money, by the nature of things, independently of all convention and all law."

Daniel Webster said in the United States Senate, in 1836:

"Gold and silver is the money of the Constitution. The constitutional standard of value is established, and cannot be overturned. To overturn it would shake the whole system. Gold and silver at rates fixed by Congress constitutes the legal standard of value in this country, and neither Congress nor any State has authority to establish any other standard or dispose of this."

Michel Chevalier, in the preface of his French translation of Humboldt's Gold and Silver, said:

"By reason of the part which gold and silver play in all the transactions of mankind, in the contracts between States and individuals * * * every important change in the value of gold and silver is a serious event, a sort of revolution."

The correctness and wisdom of these views appear never to have been questioned until after the great discoveries of gold in California and Australia, at which time this same Michel Chevalier began to advocate silver monometallism. In 1859 he published his once famous work on The Probable Fall in the Value of Gold, in which he argued in favor of the demonetization of gold by reason of its enormously increased production. Significantly enough, it was Richard Cobden who wrote the preface to the English translation of this work (published by Appleton in 1859), and in it reiterated Chevalier's statement that the production of gold had amounted in 10 years to about as much as the entire production of the world during the 356 years which intervened between the date of the discovery of America by Columbus and the year 1848. The gold monometallists of later days have never had half so specious an argument against the fitness of silver to serve as money as that argument against the fitness of gold. However, gold was not demonetized, and the historian Alison, writing at the same time and describing the previous distress and the subsequent prosperity, said:

"The era of a contracted currency and consequent low prices and general misery, interrupted by passing gleams of prosperity, was at an end."

Many writers on economics today cite statistics of deposits and prices compared with those of previous periods, seeking to prove thereby that the actual volume of gold suffices for the present needs of commerce and money circulation. If this is the case, how does it happen that not a single important nation can pay its obligations, either of maturing bonds or of its demand notes, in gold coin? Even in France, nominally still on the gold standard, napoleons are unobtainable except by purchase in the market at a premium equivalent to the price of gold in London.

It was Cernuschi, the great master of monetary science in the past century, who developed fully the argument based on the dislocation of foreign exchanges and pointed out the disastrous consequences thereof to the industries of the gold-standard nations. He established the complete scientific theory of bimetallism and gave to it, in all modern languages, its appropriate name.

The people begin to realize that the annual increase in the production of gold is not keeping pace with the expansion of the world's production of staple commodities, and especially with the prodigious increase in existing debts. Chief among these debts are those of the governments of all countries in seeking to supply the deficiency of metallic money by vast issues of paper promises-to-pay money "on demand", which are universally dishonored, but to which the paper inflationists insist the United States shall add still further.

This world-wide paper-money inflation exists today to an unlimited excess and with augmenting depreciation in coin value. Under these circumstances what the world must now have to enable it to carry its burdens, to save it from general repudiation

of debt and universal impoverishment, to raise prices, and to stimulate commerce and enterprise is a virtual doubling of the annual supply of additional real money, furnished not by the unlimited capacity of the printing press but by the combined mines of the precious metals, both gold and silver. Until 1873 the coinage of both metals, at a fixed parity, as legal tender money was free and unlimited in the United States and in France. Every successive large increase in the production of either or both metals brought increased prosperity and wealth, as, for instance, the gold discoveries in the Klondike and the Rand in the late 1890's and, earlier, the Comstock lode in silver.

This increase in the coinage of both metals, with its vivifying power, was never considered money inflation. It was, in fact, the supply of a needed expansion of basic metallic money for increasing population and commerce. It is manifest today that gold alone does not suffice to satisfy this constantly growing need and thereby the world is now threatened with financial ruin.

To the demonetization of silver, first by England in a fit of extreme insularity after the triumph of Waterloo, and subsequently by the United States, Germany, and (in consequence) France, may unquestionably be traced the present universal collapse. The eminent American economist, Prof. Francis A. Walker, author of a standard work, Money, published in 1877 and 1891, declared with emphasis:

"The history of the century would be searched in vain for a political blunder of equal enormity."

Fully 60 years ago the most acute and erudite students of monetary science warned the world of the inevitable consequences of this extrusion of silver as a joint monetary standard with gold. In the month of April 1870, Wolowski, a distinguished French economist, before a French currency commission, pointed out with remarkable accuracy the inevitable fall in price of all commodities, as well as the great decline in the value of agricultural land and the increased burden of mortgages, which the demonetization of silver would entail. He said:

"What the proposed change means is a veritable monetary revolution, and the worst of revolutions—one that leads to the unknown. Violent attacks are being made in our day on property. There is little to fear from open attacks upon the laws of human society that have grown up with man, emanating from his very nature. But I do not feel that there is the same security when it is a question of attacks which are the more perilous because those who make them are often not aware of their serious nature. Such would be the proposed measure regarding the demonetization of silver."

In 1871, 2 years before our own country demonetized silver, Ernest Seyd, well-known English author of Bullion and Foreign Exchanges, made this remarkably accurate forecast:

"It is a great mistake to suppose that the adoption of the gold valuation by other States besides England will be beneficial. It will only lead to the destruction of the monetary equilibrium hitherto existing, and cause a fall in the value of silver from which England's trade and the Indian silver valuation will suffer more than any other interests, grievous as the general decline of prosperity all over the world will be. The strong doctrinism existing in England as regards the gold valuation is so blind that, when the time of depression sets in, there will be this special feature: The economical authorities of the country will refuse to listen to the cause here foreshadowed; every possible attempt will be made to prove that the decline of commerce is due to all sorts of causes and irreconcilable matters. The workman and his strikes will be the first convenient target; then speculation and overtrading will have their turn. Later on, when foreign nations, unable to pay in silver, have recourse to protection, when a number of other secondary causes develop themselves, then many would-be wise men will have the opportunity of pointing to specific reasons which in their eyes account for the falling off in every branch of trade. Many other allegations will be made, totally irrelevant to the real issue, but satisfactory to the moralizing tendency of financial writers."

At the foundation of our Government all Europe used what was then called the "double standard", the coinage of gold and silver at a fixed ratio of weight. Our own original standard money unit, as declared in 1792, was the Spanish silver dollar of 412½ grains. Gold coinage was authorized, rated to it in the proportion of 1 ounce of gold to 15 ounces of silver. We changed this ratio in 1832 to 16 to 1. France had always been bimetallic, and from 1785 the two metals were coined there in the ratio of 15½ of silver to 1 of gold. This difference of ratio in the two countries gave to silver a money advantage at the French mint of 3 percent as compared with our ratio of 16 to 1. The effect of this difference was that, in accordance with the Gresham Law, all our silver, the dearer money (and our silver bullion), was immediately exported to France for coinage at the Paris mint to secure the 3 percent profit, the cheaper metal, gold, remaining the sole metallic money in circulation in the United States. Under these circumstances the coinage of silver dollars at our mint appeared to be a useless expense.

Early in 1872 a bill for the codifying of the United States mint laws, which had been before the two preceding Congresses, was reintroduced. From it the clause providing for the coinage of silver dollars was omitted, seemingly only for the reason that the silver ounce coined was immediately shipped to France to secure the 3 percent profit above described. This accomplished the demonetization of silver in the United States, although it was not so intended, as plainly shown by debates published in the CONGRESSIONAL RECORD. The mint law was revised, the standard silver dollar being dropped from the list of coins. The question came up for debate in Congress in 1878, when Senator Thurman said:

"When the bill was pending in the Senate we thought it was simply a bill to reform the mint, etc., * * * and there was not a single man in the Senate, I think, unless a member of the committee from which the bill came, who had the slightest idea that it was even a squint toward demonetization."

This statement was confirmed by several other Members of both Houses.

Even better proof of these facts is furnished by a letter written by John Sherman, our distinguished Secretary of the Treasury, to W. S. Groesbeck, one of the American delegates appointed by Congress to the International Monetary Conference, held in Paris in August 1878, in which, referring to the leading part he had taken in the demonetization of silver in 1873, he said:

"At that time the wisest among us did not anticipate the sudden fall of silver or the rise of gold that has occurred. This uncertainty of the relation between the two metals is one of the chief arguments in favor of a monometallic system, but other arguments, showing the dangerous effect upon industry by dropping one of the precious metals from the standard of value, outweigh in my mind all theoretical objections to the bimetallic system."

Thus was the demonetization of silver unwittingly accomplished in the United States, not because it was cheaper than gold but, on the contrary, because it was the more valuable of the two metals. The effect, however, of thus closing our mint to silver was not immediately apparent, specie payments having been suspended since 1862 and not resumed until 1879.

In studying the question of bimetallism one should keep clearly in mind: First, that money is not the value for which, but the valuer by which, commodities are exchanged and debts are paid. Money is only a counter, a marker, a measure of value, and is not by nature value itself. Second, that the precious metals, gold and silver, acquire their great worth because they are used as money—not that money as money derives its value from the material of which it is made. As Paulus, a great Roman jurist, said: "Money circulates with a power which it derives, not from its substance, but from its quantity." Third, that the material of which money is made is not in itself the standard, but the register in which the standard is recorded. The material of money bears a similar relation to value that the dial of a clock does to time. Hence the term "double standard" is an erroneous one in a strict verbal sense. It is not the standard that is double, but the metals in which the standard is registered. The two metals conjointly, possessing equally the debt-paying function at a fixed ratio of weight, form one standard, one money. Daniel Webster understood this, as his careful language, above quoted, unmistakably indicates. His words are: "Gold and silver * * * constitutes the legal standard of value." It was to correct the misconception caused by the use of this misnomer "double standard" that Cernuschi originated, in 1869, the name "bimetallism", which covers the real principle at issue as perfectly as any single word can do.

The present generation of Americans look upon bimetallism as Bryanism, and do not take the trouble to study the history or the science of money, as well understood long prior to the Bryan campaign. As late as in May 1894, a cable message was sent to the Lord Mayor of London by leading United States Senators of both parties, as follows:

"We desire to express our cordial sympathy with the movement to promote the restoration of silver by international agreement, in aid of which we understand a meeting is to be held today under your Lordship's presidency. We believe that the free coinage of both gold and silver by international agreement at a fixed ratio would secure to mankind the blessing of a sufficient volume of metallic money, and, what is hardly less important, secure to the world of trade immunity from violent exchange fluctuations."

Among the signers were[1]: John Sherman, Nelson W. Aldrich, Shelby M. Cullom, W. B. Allison, Henry Cabot Lodge, W. E. Chandler, D. W. Voorhees, Calvin S. Brice, George F. Hoar, O. H. Platt, A. P. Gorman, and David B. Hill.

Between that year, 1894, and 1900, Bryanism, aided by the Republican campaign, completely perverted public opinion regarding silver, and it still so continues.

In March 1871 the Franco-German war was ended, France paying in gold a war indemnity of 1,000 million dollars. In the following July the German Empire, which had previously been on a silver basis, established, after the example of England, a national gold standard, limiting the existing aggregate issues of silver coins and requiring that the silver in excess of that amount should be withdrawn from circulation and sold. The French mint, which under the bimetallic law of 1803 was obliged to exchange the two metals one for the other on demand without limit, became alarmed lest it should be overwhelmed with the German silver and at once slackened the coinage of silver, ultimately entirely abolishing it. Then, and then only, the decline in the price of the metal silver from the legal parity began, as shown by the statistics of all mints,

[1] Editor's note: These Senators were primarily representatives of Eastern States and conservative interests, as may be seen from following identification:

John Sherman, Republican, Ohio, Secretary of the Treasury under Hayes, Secretary of State under McKinley. The Sherman

reaching in 1932 the lowest figure on record. This continuous fall in the price of the metal was caused not by its overproduction from the mines but largely by the sale in the open market of demonetized money from different nations, including France. The yearly product of the mines since 1900 up to 1930 has been estimated in fine ounces as from 8 to 13 times to 1 of gold. In fact, the production of silver compared to that of gold has not been as high as 16 to 1 for nearly 40 years past, and of this production 80 percent is estimated as being the byproduct of other metals.

Money has never been defined as a value in itself but only as a measure of value. It has been called "a vehicle to facilitate the exchange and distribution of the world's products." The smaller the number of those "vehicles", the larger naturally must be the load put upon each. This in monetary language means lower prices of all values. That is the situation of Europe and America today. The vehicles are overloaded, and the number of them must be greatly increased.

To carry on commerce between the nations of the world there needs to be an international unit of value, and that unit must be a metallic one. During our Civil War, European currencies being on a gold basis, while the United States had a depreciated paper money, our foreign commerce was regulated through the "gold room" in New York, where gold was bought and sold to supply the needs of foreign commerce and dealings in securities. Following the Civil War and prior to our resumption of specie payments in 1879, the exporter of cotton sold it at a gold price in Liverpool or Havre, and bought it in New Orleans at the greenback price. Hence he was a seller of gold, while the importer of merchandise was, for the same reason (reversed) a buyer. At the present time, no nation on either side of the Atlantic having a currency redeemable in gold, all foreign commerce and exchange dealings are in the greatest confusion. No man knows from day to day what may be the market value of his merchandise or of his investments. At the recent economic conference in London, President Roosevelt was severely criticized for refusing an attempt to stabilize the moneys of the United States and England, but he was right. To try to do it would be like an attempt to stabilize two balloons. Metallic moneys can be stabilized by their proportionate weight, but not so the unlimited products of the printing presses. It is only from the mines of gold and silver that there can be furnished automatically a needed yearly additional supply of metallic real money, which is estimated at from 1 to 2 percent of the existing monetary stock.

In the great debates on bimetallism which took place in the United States and in Europe during the latter half of the past century, both Democrats and Republicans were members of the different monetary conferences held in London and in Paris, with a view to the restoration of bimetallism by international agreement. The United States was then a large debtor to Europe. For this reason it was believed by the majority of our delegates that silver could be restored and a stable parity of exchange maintained only by an agreement between the United States, England, and France. Today, the United States, having become a creditor nation with immense increase in wealth and power, is abundantly able to solve the problem alone. I venture to predict that if bimetallism were adopted by us, the course of events would force the acceptance throughout Europe of silver money on an equality with gold at the American ratio in protection of those nations' own commerce, especially in connection with the Far East and South America. The world-wide price of silver would advance to whatever legal parity, whether 20 to 1 or 16 to 1, was established by the United States. The debt-paying power of silver becoming equal to that of gold at the legal ratio, nobody would part with it at a lower valuation. An advance of price in all commodities would at once ensue as the result of the increasing supply of real money. We see already the beginning of this in the higher prices which have accompanied the late rise in the price of silver. The world is now ready for the remonetization of the metal, which would be followed immediately, gold and silver standing on the same plane as monetary units, with buoyant markets everywhere. On the other hand, increased issues of paper money in the United States can have no effect on world markets, creating only redundancy at home and increased depreciation by comparison with the nominal gold equivalent. The United States cannot be willing that its money issues should follow in the steps of the French assignats. The wealth of all France was supposedly "assigned" as security for a currency the ultimate complete repudiation of which became a necessity.

We are deceiving ourselves in saying that the American dollar has now greatly depreciated in value. We have, legally speaking, only one dollar in the United States, which is the gold dollar of 23.22 grains. We use as current legal tender money the Government and reserve bank notes bearing on their face the "promise to pay" dollars on demand. It is this "promise to pay" which is not good and is now worth only 65 percent (approximately) of its face value. It is Uncle Sam, and not the "American dollar", who in these days of peace and plenty, should bear the discredit of insolvency.

Bimetallists demand that the two metals be declared by law to be not of a fixed relative market value, but of the same utility in debt-paying power, in a fixed ratio—the mints to be freely open to the coinage of both—thus reestablishing silver in the position which it held in common with gold from the beginning of history until 1873 (always by legislative authority), and restoring the conditions under which, prior to that date, all debts—State, corporation, and individual—were incurred, and a supposed normal level of prices was established. In other words, they claim that the "exchangeability" of silver for debt, equally with gold, should be restored by legal enactment, with free coinage, in a fixed ratio, which will stand the test as against the novel and disastrous experiment of the present generation in endeavoring to "live and prosper" on a single gold basis. Silver must be again assigned a place in the monetary systems of the nations. The new-fledged theories of a "managed currency" of paper money are vain and empty. Nature alone, and not man, can be trusted with the vital problem of the world's money supply.

Even if all this were less indubitable, there remains another reason for now turning to bimetallism in the United States. The inflationists of today are demanding, first of all, an expansion of our present currency, and they want it through the agency which most largely appeals to the mentality of the machine age, namely, the printing press. If they succeed, we shall witness nothing but a still further diminished value of our currency in foreign markets. If, on the other hand, we mutilate our gold coins, by cutting their weight in half, we dishonor ourselves and enrich the growing multitude of European hoarders of gold who are accumulating the metal for this event. But, vastly more important still, we perpetuate the present inability of China and India to buy our agricultural and other products by continuing the nonrecognition of their silver money.

Bimetallism is not an expedient. It is a world-wide specific for the ills which have befallen all nations. The remonetization of silver will immediately produce the increase in the circulating medium which inflationists are demanding. It will be inflation, but it will be honest inflation, because it will be supported by an ultimate redemption in a metal which has been recognized as precious by hundreds of millions of people throughout the ages and is now the metallic basis of the medium of exchange among hundreds of millions of people whose markets we wish to enter. Bimetallism will open these doors to us, because it will provide us with an instrument of exchange which will be immediately and constantly advantageous.

Lord Balfour, as long ago as in 1892, speaking in Manchester, pointed this out. He said:

"I also believe that the bimetallic solution is possible and adequate. I don't give it to you as a cure for every industrial evil. I don't come forward as a quack with a universal remedy. I don't tell you that it will drive bad trade forever from these shores and give every man who desires to work a chance of working for a good day's wages, and every man who desires to invest the certainty of a profitable investment. I paint no such visions for you. I put no such promise before your gaze. But I do say that for a great commercial country a sound instrument of exchange is a matter of the first necessity. I do say that the instrument of exchange which you actually have is a bad instrument, and I offer you for your acceptance an instrument which, if not perfect, is at all events practicable and is incomparably better than any which you are likely to obtain by any other means of which I have any knowledge."

In view of the increasing growth of bimetallic sentiment throughout Christendom at the present time, it is neither wise nor useful to attempt longer to stifle it under the weight of an intolerant dogmatism. The opinion of the great mass of the agricultural classes of both Europe and America, supported by distinguished economists and statesmen in every country, deserves a respectful hearing.

Act (1890) was a compromise bill providing for the purchase of four and one half million ounces of silver per month, Treasury notes to be issued in payment. In 1893 the Voorhees bill repealed the silver-purchase clause but affirmed bimetallism as national policy.

Nelson W. Aldrich, Republican, Rhode Island (1881–1911). Author of the Aldrich plan from which the Federal Reserve Act was evolved. Senate leader for many years.

Shelby M. Cullom, Republican, Ohio (1883–1913). Committee of which he was chairman created Interstate Commerce Commission.

W. B. Allison, Republican, Iowa (1872–1908). Member of Finance Committee of Senate for 30 years, identified with Bland Silver Act, involved in all currency discussions of period.

Henry Cabot Lodge, Republican, Massachusetts (1893–1924). Senate leader for many years; headed fight on League of Nations; chairman of Foreign Relations Committee of Senate.

W. E. Chandler, Republican, New Hampshire (1887–1901). A "war" Republican, Secretary of Navy under Arthur, credited with tactics which brought about election of Hayes over Tilden.

D. W. Voorhees, Democrat, Indiana (1877–97). It was his bill which affirmed bimetallism as national policy.

Calvin S. Brice, Democrat, Ohio (1891–97). A conservative. Had large railroad and banking interests.

George F. Hoar, Republican, Massachusetts (1877–1904). Famous Senate leader, had large part in framing bankruptcy and antitrust legislation.

O. H. Platt, Republican, Connecticut (1879–1905).

A. P. Gorman, Democrat, Maryland (1880–98 and 1903–06). Directed Cleveland's campaigns. Outstanding Democratic leader. Swung Democratic votes for free silver in return for silver Republican votes against Force bill.

David B. Hill, Democrat, New York (1892–97). Succeeded Cleveland as Governor of New York. Author of the phrase, after Bryan was nominated, "I am a Democrat still—very still."

The Problems Before the Regular Session of the Seventy-third Congress

EXTENSION OF REMARKS

OF

HON. HENRY ELLENBOGEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 8, 1934

RADIO INTERVIEW BETWEEN HON. HENRY ELLENBOGEN, OF PENNSYLVANIA, AND FRED H. KURY, WASHINGTON CORRESPONDENT OF THE PITTSBURGH PRESS

Mr. ELLENBOGEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Mr. KURY. Congressman ELLENBOGEN, since this session of Congress is one of the most important sessions ever held and since its legislation will have far-reaching and lasting importance for every citizen, you might first wish to speak about the attitude of Congress itself. What would you say is the spirit in which the Congress of the United States is tackling the present session?

Congressman ELLENBOGEN. This session of Congress should be different from any other. This Congress has to understand—and understand clearly—that the temper of the people has changed. Our people demand and are entitled to a new deal not only from the President and his Cabinet, who execute the laws, but also from the Members of Congress, who make them. We want legislation not for the privileged few but for the people as a whole. And we want to give particular attention to the impoverished middle class and the underprivileged who are with us in such large numbers.

The Congress must so conduct its affairs that the people will instinctively feel that a new spirit prevails and that Congress is guided by one concern alone—the actual and immediate needs of the great mass of the citizens of this country.

The program before this session of Congress can be expressed in one sentence: Congress must pass legislation to promote recovery, to assist our people pending recovery, to stamp out the abuses of the selfish few, and to assure that America becomes again, as in the past, the land of opportunity for all and of special privilege for none.

Mr. KURY. Congressman Ellenbogen, what do you consider the most pressing problem before Congress?

Congressman ELLENBOGEN. The needs of the unemployed—this above all else. The creation of opportunities for work must have the first call on Congress.

The Federal Government must, and it will, continue to contribute its share for the relief of the unemployed, so that no man, woman, or child in this country goes hungry; but, beyond that, further billions should be allotted for public and civil works to give jobs to those now unemployed until private industry and private enterprise can absorb them.

Mr. KURY. Next to unemployment, what problem do you feel presses for instant attention, Congressman?

Congressman ELLENBOGEN. The plight of the owner of real estate—particularly the plight of the owner of a home or of a small farm—must and will be alleviated. Although thousands of homes and farms have been saved from foreclosure, the relief afforded by the Home Owners' Loan Corporation has been painfully slow. This is now being speeded up, but in order to provide true relief for home owners, the law must be changed and for that purpose I introduced two bills at the very opening of Congress last Wednesday, and I expect to introduce further bills on this subject, probably tomorrow.

At this point I want to say that if the home owner, if the farm owner wants to save his home, he should, he must, take a real interest in these bills, become acquainted with their provisions, and organize support for them in his community.

In future broadcasts I shall discuss this topic and shall explain the bills which I have introduced.

Mr. KURY. What important social legislation are you going to sponsor, Congressman ELLENBOGEN?

Congressman ELLENBOGEN. A system of old-age pensions deserves immediate consideration by the Congress of the United States. People who have given the best years of their lives in honest and industrious labor and who have contributed to the wealth of the country, deserve better treatment than as objects of charity. I am going to bring this problem strongly to the attention of Congress, and with the support of the people of this country we can obtain laws which will guarantee a greater measure of security for people of old age than we have ever known before.

Mr. KURY. Do you believe that the Congress will follow the leadership of President Roosevelt?

Congressman ELLENBOGEN. In this emergency unity of purpose and of action are imperative. Our people have confidence in the President and in his policies. They demand that the Congress support the President. I, for one, shall fully support his measures for the relief of our people and I believe most of my colleagues will do likewise.

Mr. KURY. Congressman Ellenbogen, what other problems do you think will engage the attention of this Congress?

Congressman ELLENBOGEN. Mr. Kury, these problems are so numerous that I can only give some of them at this time. Later on, I hope to discuss them more fully in this series of broadcasts. Here are some of them:

The Veterans of the Spanish American War and of the World War are not receiving the benefits to which in fairness and in justice they are entitled. Economy measures affecting them have been altogether too stringent. The Congress should pass laws which will provide more equitable treatment and more just benefits for our veterans.

Workers of all classes, labor and white collar, skilled and unskilled, trained and professional, must be protected against long hours and miserable pay. The sweatshop must be uprooted and destroyed.

Our income-tax system needs drastic changes. Taxes should be assessed according to ability to pay. Increase surtaxes on swollen incomes. Raise inheritance taxes on large estates. Strengthen the gift-tax laws to prevent the evasion of the inheritance taxes. On the other hand, taxation must cease to be an ever-increasing burden on the back of the great middle class of our people. Furthermore, we must eliminate the wasteful use of the taxpayer's money, whether it be appropriated for ordinary expenditures or for emergency relief.

Congress must call a halt to the evasion of the income-tax laws by selfish persons of great wealth; there must be no manipulation of the people's money or of our financial markets at the expense of the innocent investor of modest means. The money of depositors and the investments of the people should at all times be safe. Our banking laws must be altered to prevent for all time the recurrence of such panics as we witnessed last March.

Reductions in charges for electricity, for gas, and for transportation, more stringent regulation and supervision of utilities are urgently needed.

The American people, through the Congress of the United States and the President, must deal prudently but firmly with our foreign debtors; some of them have deliberately compromised their honor to protect their pocketbooks. These are the duties of the Congress of the United States—as I see them.

As for myself, I pledge that every ounce of my strength, all the energy that I have, my education, my training and my experience shall be devoted to these measures. To you, the people of Pittsburgh and of Pennsylvania, I pledge that your interest and your interest alone, shall guide my thoughts and my steps and shall determine my actions in the Congress of the United States.

Mr. KURY. I thank you. Your interpretations and views of the problems of the regular session of the Seventy-third Congress are most enlightening.

Relief for Veterans

EXTENSION OF REMARKS

OF

HON. LOUIS LUDLOW

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 8, 1934

LETTER OF HON. LOUIS LUDLOW, OF INDIANA, TO THE PRESIDENT

Mr. LUDLOW. Mr. Speaker, believing that there is danger that great injustice will be done to thousands of worthy veterans who are now employed, or who hereafter will be employed, under the Civil Works Administration, I have today sent a letter to President Roosevelt suggesting to him the advisability of issuing an Executive order exempting Civil Works Administration workers from Veterans' Regulation No. 10, which would cut off of the pension rolls many veterans engaged on civil works and would reduce the pensions of many thousands more to $6 a month. My letter to the President follows:

DEAR MR. PRESIDENT:

I am taking the liberty of bringing to your attention what seems to me to be an obvious injustice to many thousands of worthy veterans who are now employed, or who hereafter are to be employed, as workers under the Civil Works Administration, as I believe you will want to correct this situation by an Executive order when it is brought to your notice.

To my surprise I have just learned that paragraph X of Veterans' Regulation No. 10 is to be so construed that all veterans

(of whom there are many thousands) who are working on temporary Civil Works Administration projects and who are drawing pensions will be dropped from the pension rolls or will have their pensions reduced to $6 per month while so employed. The Veterans' Regulation to which I refer is as follows:

"No person holding an office or position, appointive or elective, under the United States Government, or the municipal government of the District of Columbia, or under any corporation, the majority of the stock of which is owned by the United States, shall be paid a pension or emergency officers' retirement pay, so long as he continues to draw a salary from such employment, except (1) those receiving pension or emergency officers' retirement pay for disabilities incurred in combat with an enemy of the United States or for disabilities resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment as provided in Veterans' Regulation No. 1 (a), part 1, paragraph 1; (2) those persons so employed whose pension is protected by the provisions of the act; however, the rate of pension as to this class shall not exceed $6 per month; (3) those persons whose salary or compensation for service as such employee is in an amount not in excess of $50 per month; and (4) widows of veterans."

Realizing how harshly this regulation, unless amended, will bear upon thousands of veterans who are now receiving the first wages they have earned in many months, I called upon the legal department of the Veterans' Administration for an official opinion as to their status, and Mr. J. O'C. Roberts, the solicitor of that Administration, in a letter to me advises as follows:

"It is the understanding of this office that persons employed on Civil Works Administration projects are Federal employees. Being Federal employees, they are subject to the provisions of paragraph X, Veterans' Regulation No. 10."

Therefore, Mr. President, unless you change the situation by an Executive order all pensioned veterans, except battle casualties, who are employed on Civil Works, will have their pensions cut off entirely unless on March 20 last they were drawing pensions for direct service-connected disabilities or unless they are Spanish War soldiers over 62 years of age, and these two classes will suffer a reduction in pension in every instance to $6 a month unless they surrender their Civil Works employment. This, if allowed to proceed, will inevitably create many glaring inequalities, and will breed a feeling of injustice in the hearts of the veterans employed on Civil Works, many of whom have not had a day's employment for years and whose income now as Civil Works employees is very temporary and very small. Unless the regulation referred to is modified the Civil Works employees will be subjected to a reduction of pension to exactly the same extent as a veteran who is on the regular Government rolls who draws a much larger salary and enjoys all the retirement rights and other privileges of permanent employment, and it is also true that those veterans who are in outside employment are not subjected to any reduction whatsoever in the amount of their pensions.

I feel certain, Mr. President, that the mere statement of the fact as to how this regulation would operate will appeal to your sense of fairness and justice and to your well-known desire to do right by all men, and I respectfully ask you to consider the advisability of issuing an Executive order to correct this situation.

Very sincerely yours,

LOUIS LUDLOW.

LAW AND RULES FOR PUBLICATION OF RECORD

CODE OF LAWS OF THE UNITED STATES

TITLE 44. SECTION 181. CONGRESSIONAL RECORD; ARRANGEMENT, STYLE, CONTENTS, AND INDEXES.—The Joint Committee on Printing shall have control of the arrangement and style of the CONGRESSIONAL RECORD and while providing that it shall be substantially a verbatim report of proceedings shall take all needed action for the reduction of unnecessary bulk, and shall provide for the publication of an index of the CONGRESSIONAL RECORD semimonthly during the sessions of Congress and at the close thereof. (Jan. 12, 1895, c. 23, § 13, 28 Stat. 603.)

Pursuant to the foregoing statute and in order to provide for the prompt publication and delivery of the CONGRESSIONAL RECORD, the Joint Committee on Printing has adopted the following rules, to which the attention of Senators, Representatives, and Delegates is respectfully invited:

1. The Public Printer will arrange the contents of the RECORD as follows: First, the Senate proceedings; second, the House proceedings; third, the Appendix: *Provided,* That when the proceedings of the Senate are not received in time to follow the arrangement, the Public Printer may begin the RECORD with the House proceedings.

2. The Public Printer shall begin the proceedings of each House and the Appendix on a new page, with appropriate headings centered thereon.

3. The Public Printer shall print the verbatim report of the proceedings and debates of the Senate and House of Representatives, as furnished by the official reporters of the CONGRESSIONAL RECORD, in 7½-point type; and all matter included in the remarks or speeches of Members of Congress, other than their own words, and all reports, documents, and other matter authorized to be inserted in the RECORD shall be printed in 6½-point type; and all roll calls and lists of pairs shall be printed in 6-point type.

4. When copy is submitted to Members for revision it should be returned to the Government Printing Office not later than 9 o'clock p.m., in order to insure publication in the RECORD issued on the following morning; and if all of said copy is not furnished at the time specified, the Public Printer is authorized to withhold it from the RECORD for 1 day. In no case will a speech be printed in the RECORD of the day of its delivery if the copy is furnished later than 12 o'clock midnight.

5. The copy of speeches containing large tabular statements to be published in the RECORD shall be in the hands of the Public Printer not later than 6 o'clock p.m. on the day prior to their publication.

6. Proofs of "leave to print" and advance speeches will not be furnished the day the copy is received, but will be submitted the following day, whenever possible to do so without causing delay in the publication of the regular proceedings of Congress. Advance speeches shall be set in the RECORD style of type, and not more than six sets of proofs may be furnished to Members without charge.

7. If copy or proofs have not been returned in time for publication in the proceedings, the Public Printer will insert the words "Mr. ——— addressed the Senate (House or Committee). His remarks will appear hereafter in the Appendix", and proceed with the printing of the RECORD.

8. The Public Printer shall not publish in the CONGRESSIONAL RECORD any speech or extension of remarks which has been withheld for a period exceeding 30 calendar days (exclusive of Sundays and holidays) from the date when its printing was authorized: *Provided,* That at the expiration of each session of Congress the time limit herein fixed shall be 10 days, unless otherwise ordered by the committee.

9. When leave has been obtained to print (1) a speech not delivered in either House, (2) a newspaper or magazine article, or (3) any other matter not germane to the proceedings, the same shall be published in the Appendix, but this rule shall not apply to quotations which form part of a speech of a Member, or to an authorized extension of his own remarks. The official reporters of each House shall indicate on copy and prepare headings for all matter to be printed in the Appendix, and shall make suitable reference thereto at the proper place in the proceedings. Any Member may, upon request noted on the manuscript, have an authorized extension of his own remarks printed in the Appendix.

10. Illustrations shall not be inserted in the RECORD without the approval of the Joint Committee on Printing. Requests for such approval should be submitted to the Joint Committee on Printing through the Chairman of the Committee on Printing of the respective House in which the speech desired to be illustrated may be delivered. Illustrations shall not exceed in size a page of the RECORD and shall be line cuts only. Copy for illustrations must be furnished to the Public Printer not later than 12:30 p.m. of the day preceding publication.

11. The permanent RECORD is made up for printing and binding 30 days after each daily publication is issued; therefore all corrections must be sent to the Public Printer within that time: *Provided,* That upon the final adjournment of each session of Congress the time limit shall be 10 days, unless otherwise ordered by the committee.

12. The Public Printer shall insert the contents of the daily Appendix in its regular place in the proceedings of each House when printing the bound edition of the CONGRESSIONAL RECORD.

CONGRESSIONAL DIRECTORY

The Public Printer, under the direction of the Joint Committee on Printing, may print for sale, at a price sufficient to reimburse the expense of such printing, the current Congressional Directory. The money derived from such sales shall be paid into the Treasury and accounted for in his annual report to Congress, and no sale shall be made on credit. (U.S. Code, title 44, sec. 150, p. 1424.)

JOE T. ROBINSON, CHAIRMAN

United States Senate

CONFERENCE OF THE MAJORITY

March 9, 1934

INTERIOR DEPT.
RECEIVED
MAR 13 1934
OFFICE OF
THE SECRETARY.

PERSONAL

To The President
The White House
Washington, D. C.

My dear Mr. President:

A day or two ago, I informed you that the Public Works Administration has totally failed to function in Arkansas. With the exception of the Federal aid to highways and certain levee construction work, no operations under the Public Works Administration have been commenced. A single project - I believe it is a bridge project - costing $20,000 has been closed. All others that have been approved are being held up. The reasons assigned being chiefly technical, but actually to penalize the State for its alleged policy of repudiation. As a matter of fact there has never been any actual repudiation. A circumstance arose in which certain road bonds and other obligations of the State came into default. A refunding Act was passed some two or three years ago, which was not acceptable to the bond holders and this quite naturally resulted in the complaint that the repudiation of the obligations was in prospect. Nothing of this kind was intended, but I admit the matter was badly handled.

Some months ago the General Assembly passed a Refunding Bill which has the approval of the bond holders. It reduced interest rates, but there was no scaling down as to principal. The fact is that all the creditors are pleased with the arrangement.

The former Chief of the Finance Division assigned as the reason the condition of affairs in connection with the State Obligations. While Mr. Ickes never confirmed the attitude of Mr. Mansfield on this subject, it is fully apparent that the State is being boycotted and of course I must take every remedy

within my reach to correct this.

I thought you would like to be more definitely informed from the interest you manifested on the subject a day or two ago and perhaps will be able to give some directions or make suggestions regarding it.

With personal regards, I am

Yours sincerely,

J. R. Robinson

THE WHITE HOUSE
WASHINGTON

My dear Senator Robinson:

I have your letter of March 9 regarding the activity of the Public Works Administration in Arkansas, in which you suggest that the State is being boycotted because of the circumstance that certain of its road bonds and other obligations came into default some time ago.

I have investigated this matter at some length, and I can assure you that this has not been the case. Every Arkansas project has been considered on its merits by the Public Works Administration, and the P.W.A. Finance Division has recommended approval of every application which offered reasonable security. In the case of State projects, the security for which would be the faith and credit of the State, necessarily the fact of default had to be taken into account. In such cases the Finance Division recommended approval subject to action on the part of the State which would lead to a satisfactory agreement as to the default of bonds, as without such action it could not be held that the State's credit presented a reasonable security for a new loan. As you suggest in your letter, progress is being made along this line.

So far as the municipal applications were concerned, such projects were studied without regard to the financial condition of the State government. While a number of these applications could not be regarded as affording reasonable security, that determination in each instance was guided by the same principles which determined such a conclusion in the cases of other States.

The principal difficulty in Arkansas has not been a legal one, except to the extent that constitutional and statutory restrictions limited the borrowing power of Arkansas municipalities on general obligation bonds. Consequently, except in a few cases, Arkansas cities and towns could not or would not pledge their full faith and credit, and undertook to finance their projects through the use of revenue bonds. This resulted

in making the burden of security rest entirely upon estimated revenues, and accordingly it was necessary to scrutinize such applications, since the failure of anticipated income to measure up to expectations might result in a default on the bonds. Notwithstanding this, however, numerous applications were approved, and in no case was the future marketability of the bonds in question considered a requisite to reasonable security.

A sizable portion of the Arkansas applications, from the dollar and cents standpoint, came from institutions of higher education. As to this type of loan, neither the full faith and credit of the State, nor of any of its political subdivisions, was pledged in repayment; revenues from the project must be looked to for the service of the Government loan. The Public Works Administration would therefore occupy only the position of a general creditor in case there was a deficiency in the revenues to be derived from the project. A number of such loans were approved because it was felt that social considerations and the excellent moral risk would offset the lack of full technical security.

I feel sure that you will agree with me, after having looked into this matter, that there is no foundation whatsoever for the suggestion that the Public Works Administration is endeavoring to boycott the State of Arkansas, and that the only source for any such thought would be in the minds of those who, to quote your letter, handled the refunding situation badly.

So too, I do not think it fair to say that the Public Works Administration has failed to function in Arkansas. Through March 10, 1934, Public Works funds amounting to $24,554,942 had been allotted to Arkansas, of which $5,357,203 represented 32 non-Federal projects. This was a larger amount than was allotted to a good many States, both proportionately and in the aggregate. The figures which I have seen indicate pretty clearly that, on the basis of its population and unemployment, Arkansas has been very liberally treated indeed.

So far as the status of approved applications is concerned, I find that contracts are being sent out as rapidly as possible, and that the Public Works Administration is waiting for the applicants to forward their bond transcripts. Certain contracts involve very difficult points on which the Public Works Administration is actively working, and as these contracts are completed and sent out to the field, signed and returned for execution, I feel sure that projects will get under way just as soon as the weather will permit. It is vitally important, though, that the applicants cooperate on their part, and expedite the signing of contracts and the preparation of their transcripts.

In connection with the amount of work under contract, I think it only fair to point out that on March 10, 1934 only 53 percent of the highway funds which had been allotted to Arkansas under Section 204 of the Recovery Act were under contract. The average for the country at large was about 75 percent.

This money was made available last June. It represented an outright grant and did not require any of the formalities or complications which the State law prescribes in the case of a bond issue. The fact that such a relatively small percentage of money has been put to work after nine months would seem to indicate that a certain lack of local interest may be responsible for the conditions of which you complain.

Summing up, I would say, first, that there is no warrant for the statement that Arkansas has been boycotted because of road bond defaults; that the State has received very generous treatment so far as allotments are concerned; that contracts are being sent and closed just as rapidly as possible; and that the State itself has not been particularly aggressive in putting its Public Works money under contract.

Very sincerely,

Franklin D. Roosevelt

Hon. Joe T. Robinson,
United States Senate,
Washington, D. C.

THE WHITE HOUSE
WASHINGTON

FPF 473

4/14 34

Memo. for Mr. McIntyre:

Senator Robinson of Arkansas says he has received following telegram from Mr. George Donaghey, a former Governor of Arkansas.

"I and delegation of prominent Arkansans are contemplating coming to Washington early next week, hoping to confer with President upon proposed recreational areas for Arkansas STOP Can such conference be arranged STOP This movement if successful will jump Arkansas forward twenty years, and when explained you will enthuse over it."

The Senator has wired Mr. Donaghey that he will confer with McIntyre on it on his return from Florida and see if it can be arranged.

The Senator says he is not familiar with this plan but in view of the prominence of party, if President will arrange to see them he will appreciate it.

RB

Talked to Sen. Robinson Sec. 4/16

Mac this is a date

3/6/39

Geo. W. Donaghey former Gov of Arkansas

11 a.m. Friday.

To talk about recreational area.

P.P.F.

413

November 15, 1934.

Dear Joe:

Many thanks for your note. Mac is wiring you suggesting November 26 to come to Warm Springs. You helped tremendously in the states you went to. I can hardly believe the Election Day results yet.

As ever yours,

Honorable Joe T. Robinson,
413 Post Office Building,
Little Rock, Arkansas.

rfb

JOE T. ROBINSON, CHAIRMAN

United States Senate

CONFERENCE OF THE MAJORITY

Ackd 11-15

Little Rock, Arkansas
413 Post Office Building
November 9, 1934

PERSONAL

My dear Mr. President:

The result of the election must be very gratifying to you as it certainly is to me.

I have just this morning returned from campaigning in Indiana, New Mexico and Wyoming.

I shall be in readiness to come to you at Warm Springs when you call me, but would appreciate a few days notice, particularly if Mrs. Robinson is to accompany me.

Accept my congratulations for the splendid support which the voters of the Country are giving you.

With greetings and good wishes, I am

Yours sincerely,

Joe T. Robinson

To The President
The White House
Washington, D. C.

O. P. F.
473

June 2, 1934.

Hon. Joe T. Robinson,
United States Senate.

Dear Senator Robinson: Personal and Confidential.

This complies with your request to give you a brief summary of the work of our department and to advise you approximately the number of appointments we have secured for the Democratic Leaders since our division was set up in the Department of Agriculture in June, 1933.

Honesty compels me to admit that so far as appointments are concerned, very little was accomplished during the first six months, because at that time every position in the AAA under $2600 required Civil Service status. Last December, however, Mr. Wallace waived the Civil Service requirements in two of the divisions and permitted us to make recommendations for appointments to them. We soon convinced them we could give them better qualified people than they were getting under Civil Service and since then we have been getting a larger percentage of the appointments for our people.

I am attaching a copy of our quota sheet as of May 15, 1934, which shows some 2000 appointments as of that date (about 250 have been made since then). It also shows how they are distributed among the various states and the effort we are making to equalize the appointments according to population.

Since April 9 we haveplaced over seven hundred people in the Agricultural Adjustment Administration, all of whom have been properly endorsed by the Democratic Leaders. For the first nine months due to the shortage of help in our office, we could not answer all our mail and were unable to even notify the leaders when appointments were made to people they sent us. We now have the use of the Stenographic Pool, however, and during the past three months we have been keeping up with correspondence fairly well and have notified each party leader when an appointment was made to a person recommended by them.

I am attaching copy of letter along the general line that we are now sending out to each Senator, Congressman, or State Leader, when appointments are made of their people; also copy of letter that we are now writing to each person who receives an appointment reminding him to thank the leaders who endorsed him.

I am also enclosing copy of letter accompanying our report this week to the National Committee covering appointments to supervisory positions in the CCC camps, showing 82 appointments to those positions last week and a summary showing that in the past six months we have secured supervisory positions in those camps for 1342 of our people.

In addition to these appointments we have secured temporary positions for 262 people in connection with the Agricultural Construction Work at Beltsville, Maryland, and have also secured appointments for quite a few people in other departments where we were not able to take care of them here. No record, however, has been kept of the latter.

Summarizing the above, it shows that we have secured positions for approximately 4000 democrats,most of which has been accomplished in the past six months.

It goes without saying that these results couldnot have been accomplished without the help of Secretary Wallace, Mr. Davis, and Dr. Tugwell. I have nothing but praise and commendation for the splendid cooperation that they have been and are now extending this office, and through me, to the Administration Leaders. They deserve our hearty cooperation.

Trusting this is the information you desire, and thanking you for the cooperation you have extended our office, I am

Sincerely yours,

Julien N. Friant,
Special Assistant to the Secretary.

Enclosures.

COPY OF LETTER WRITTEN TO SENATORS AND STATE LEADERS
NOTIFYING THEM OF APPOINTMENTS

June 2nd, 1934.

Hon. Joe T. Robinson,

United States Senate.

Dear Senator Robinson:

A short time ago you sent Mr. Philip B. Pollock to us with a request that we assist you in securing a position for him in the Agricultural Adjustment Administration.

I am pleased to advise that we have been successful in placing him in the position of Assistant Audit Clerk at a salary of $1,620 per annum.

Because of your interest in Mr. Pollock it was a pleasure for us to do this.

Sincerely yours,

Julien N. Friant,
Special Asst. to the Secretary.

COPY OF LETTER WRITTEN TO APPOINTEE REMINDING HIM TO THANK THOSE WHO ENDORSED HIM.

June 2nd, 1934.

Mr. James C. Tipton,
1899 Ingleside Terrace,
Washington, D. C.

Dear Mr. Tipton:

A short time ago we recommended you to the Agricultural Adjustment Administration and a little later had the pleasure of approving your appointment to the position of Junior Field Auditor.

It was a pleasure to us to do this because of the fine recommendations you brought us and because from a study and analysis of your training and experience as shown by your application, we were convinced that you are well qualified for the position to which you were appointed. We feel sure that by your work you will justify not only our judgment, but our confidence in you.

Please pardon us for mentioning it, but if you have not already done so, we suggest that you write a letter thanking each of those who wrote us in your behalf. We are sure they will appreciate it and know they deserve it.

Trusting you are enjoying your work and are successful in it, I am

Sincerely yours,

Julien N. Friant,
Special Asst. to the Secretary.

COPY OF REPORT TO NATIONAL COMMITTEE ON CCC APPOINTMENTS

May 29, 1934.

Mr. Emil Hurja,
Assistant to the Chairman,
Democratic National Committee,
Washington, D. C.

Dear Emil:

Enclosed herewith is a copy of the weekly report on appointments to supervisory positions in C.C.C. camps. The report covers the week of May 21-26 and includes the names of 82 men who were appointed upon the recommendations of advisors, as shown.

I believe this will bear out my prediction of a short time ago that we would soon see a marked increase in appointments in this field. As when we discussed this matter in your office, I am still of the opinion that this source of appointments is worthy of every consideration.

Our records indicate that we have secured supervisory positions in C.C.C. camps, during the last six months, for 1342 men at salaries which ranged from $110 to $200 per month. We shall keep you advised as reports of appointments are received from the Forest Service.

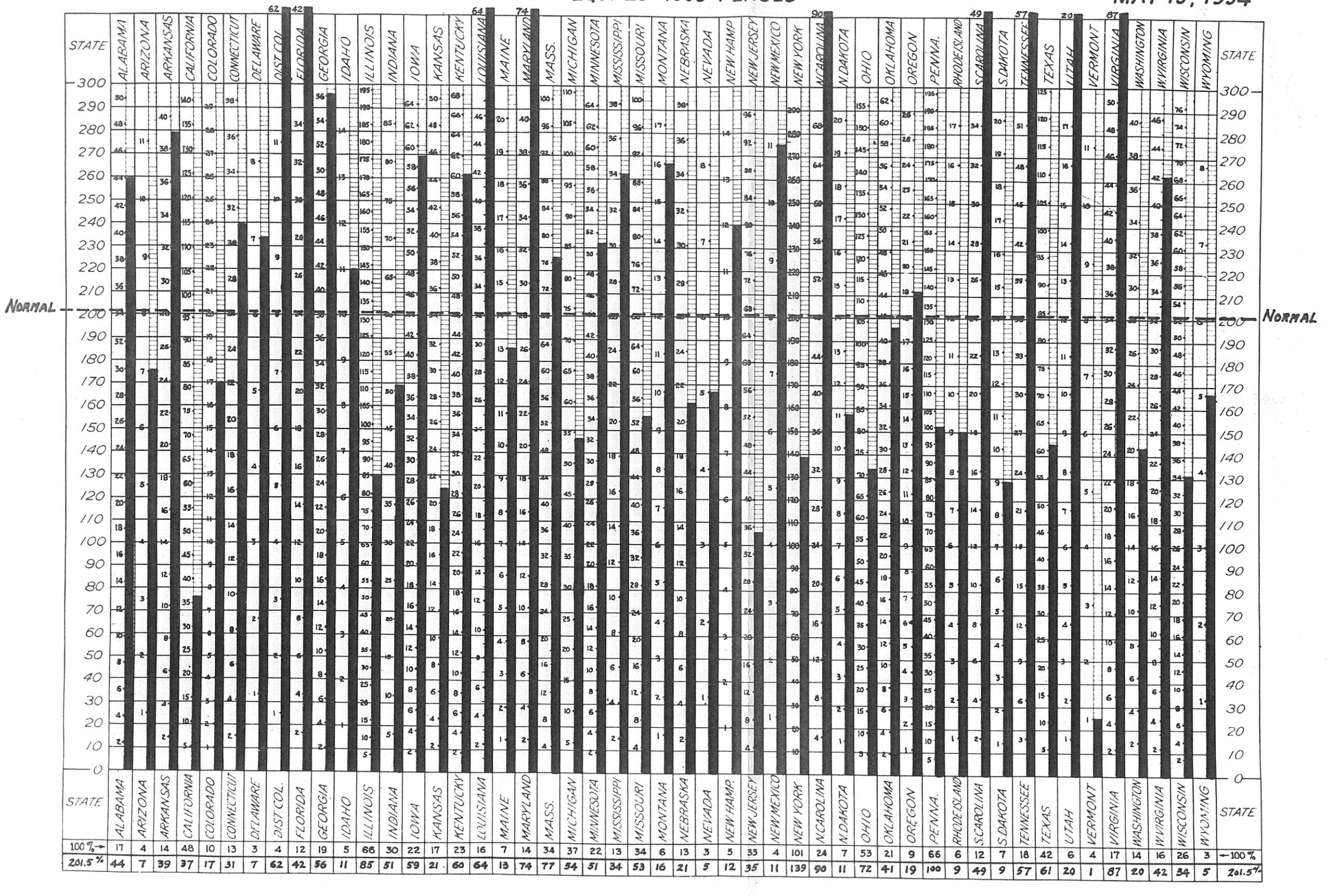
Sincerely yours,

Julien N. Friant,
Special Asst. to the Secretary.

STATE ALLOTMENT OF POSITIONS

100% EQUALS 1000 PLACES

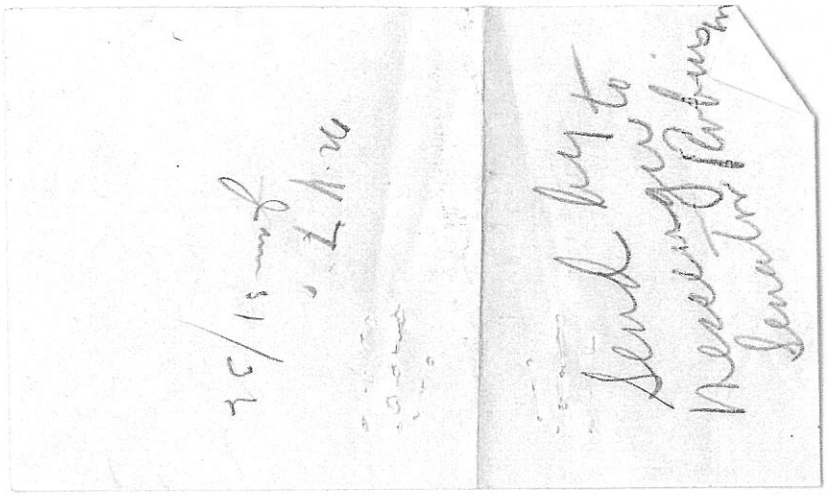
MAY 15, 1934



STATE	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	CONNECTICUT	DELAWARE	DIST COL.	FLORIDA	GEORGIA	IDAHO	ILLINOIS	INDIANA	IOWA	KANSAS	KENTUCKY	LOUISIANA	MAINE	MARYLAND	MASS.	MICHIGAN	MINNESOTA	MISSISSIPPI	MISSOURI	MONTANA	NEBRASKA	NEVADA	NEW HAMP.	NEW JERSEY	NEW MEXICO	NEW YORK	N CAROLINA	N DAKOTA	OHIO	OKLAHOMA	OREGON	PENNA.	RHODE ISLAND	S CAROLINA	S DAKOTA	TENNESSEE	TEXAS	UTAH	VERMONT	VIRGINIA	WASHINGTON	W VIRGINIA	WISCONSIN	WYOMING	STATE
100% →	17	4	14	48	10	13	3	4	12	19	5	66	30	22	17	23	16	7	14	34	37	22	13	34	6	13	3	5	33	4	101	24	7	53	21	9	66	6	12	7	18	42	6	4	17	14	16	26	3	← 100%
201.5%	44	7	39	37	17	31	7	62	42	56	11	85	51	59	21	60	64	13	74	77	54	51	34	53	16	21	5	12	35	11	139	90	11	72	41	19	100	9	49	9	57	61	20	1	87	20	42	34	5	201.5%

Mr. Willis

Do not release
to any press inquiries
PLS (mis Brownell)
2067
conn.



P.P.F. 473

Personal

January 30, 1935.

Dear Joe:-

Many thanks for your message of birthday greetings.

I want you to know how much I appreciate the splendid fight you have made. Will you be good enough also to convey my personal gratitude to your fifty-one colleagues who also voted for adherence by the United States to the World Court? All of you have kept faith with the Republican and Democratic Party Platforms. More than that; you have done a service for the cause of peace and in doing this you have shown personal and political courage.

x202
x419

PPF
copy for 48

As to the thirty-six Senators who placed themselves on record against the principle of a World Court, I am inclined to think that if they ever get to Heaven they will be doing a great deal of apologizing for a very long time -- that is if God is against war -- and I think He is.

Affectionately and sincerely,

Hon. Joseph T. Robinson,
United States Senate,
Washington, D. C.

January 30,1935

Hon. Joseph T. Robinson
United States Senate
Washington,D.C.

Dear Joe:-

Many thanks for your message of birthday greetings.

I want you to know how much I appreciate the splendid fight you have made. Will you be good enough also to convey my personal gratitude to your fifty-one colleagues who also voted for adherence by the United States to the World Court? All of you have kept faith with the Republican and Democratic Party Platforms. More than that; you have done a service for the cause of peace and in doing this you have shown personal and political courage.

As to the thirty-six Senators who placed themselves on record against the principle of a World Court, I am inclined to think that if they ever get to Heaven they will be doing a great deal of apologizing for a very long time -- that is if God is against war -- and I think He is.

Affectionately and sincerely,

PPF 473

202

[Jan. 30, 1935]

Dear Jim

Will you be good enough to accept my thanks and convey my personal and official gratitude to your 53 colleagues who voted for adherence to the World Court? All of you have kept faith with the Republican and Democratic platforms. More than that: you have done a service for the cause of peace, and in doing it have shown personal and political courage.

GENERAL SERVICES ADMINISTRATION
National Archives and Records Service
FRANKLIN D. ROOSEVELT LIBRARY
HYDE PARK, N. Y.

As to the 36 gentlemen who voted against the principle of a world court, I am inclined to think that ~~it~~ rather than it is Hearst ~~[illegible]~~ ~~it may be~~, they will be doing a lot of ~~[illegible]~~ — that is if Earl is against him — and I think he is.

GENERAL SERVICES ADMINISTRATION
National Archives and Records Service
FRANKLIN D. ROOSEVELT LIBRARY
HYDE PARK, N. Y.

COPY PPF 413

February 15, 1935

MEMORANDUM FOR

SENATOR JOSEPH T. ROBINSON

In the matter of this aluminum plant for development in Arkansas and Alabama, it seems to me that Mr. Gaudy should be told that neither you nor I can have anything to do with it. It may be a good project and again it may not. It seems to me that Public Works and R. F. C. should be the sole judges of its merit.

In any event, I want to make it clear that G. Hall Roosevelt, even though he is only a distant cousin of mine, should have nothing whatsoever to do with this, even though his connection with it is a wholly legitimate business one.

F. D. R.

Letter to Senator Robinson from R. J. Gaudy, 155 North Clark Street, Chicago, Ill., with data, re Standard Aluminum and Alloy Company.

See 1050 for first carbon

JOE T. ROBINSON, CHAIRMAN

United States Senate

CONFERENCE OF THE MAJORITY

P. R. B. 473

THE WHITE HOUSE
JUN 19 1935
RECEIVED

June 16, 1935

7

My dear Mr. President:

It was very gracious and thoughtful of you to send me the bound volume, one of fifty copies, of your address delivered in the House of Representatives, May the 22nd 1935. Undoubtedly it will be included among the State papers of outstanding importance. During my recent visit to Arkansas many citizens referred to the message with approval, ever where some of them took a contrary view to that which you expressed relating to the Cash payment of Adjusted Service Certificates. The volume is particularly prized because it is appropriately autographed.

With cordial greetings and regards, I am

Yours sincerely,

Joe. T. Robinson.

To The President
The White House
Washington, D. C.

P. P. F. 473

THE WHITE HOUSE
WASHINGTON

PRIVATE & CONFIDENTIAL

x598

March 18, 1935.

MEMORANDUM FOR SENATOR ROBINSON

I am sending you - for your eyes only - two reports on conditions in eastern Arkansas. It seems to me that they sound rather reassuring.

Will you let me have these letters back for my files?

Letter from General T. G. Ashburn, Pres., Inland Waterways Corp., 1016 Munitions Bldg., Wash.,D.C., 3/13, to Mr. McIntyre,

F. D. R.

enclosing, in response to President's request for confidential information re Arkansas, letters from E. C. Hornor, Helena, Ark., 3/11, stating that section free from disorder of any kind on the whole and no trouble among the levee workers; and from Edwin Bevens, Helena, Ark., 3/11, reporting no dissatisfaction with the Administration in his section. Speaks of work of Norman Thomas locally.

x448

x605

TELEGRAM

The White House
Washington

WX 7-2-35

PPF 473

[7-2-37]
FDRL (RLJ)

Memo. for M.H.M.
PK

Senator Robinson this noon introduced a substitute court bill. Possibly the President will be interested in the provision of the bill which refers to the Supreme Court. This provision reads as follows:

"Sec. 1. Section 215 of the Judicial Code of the United States is hereby repealed and reenacted to read as follows:

'Sec. 215. The Supreme Court of the United States shall consist of a Chief Justice and eight associate justices, any six of whom shall constitute a quorum; provided, however, the number of justices may be increased by the appointment of an additional justice in the manner now provided for the appointment of justices, for each justice, including the Chief Justice, who at the time of the nomination has reached the age of seventy five years, but not more than one appointment of an additional justice as herein authorized shall be made in any calendar year, provided that the authority to appoint for any calendar year shall not lapse by reason of the rejection of the nomination, delay in confirmation, inabilitybto nominate during an adjournment of the Senate or withdrawal of the nomination in a succeeding calendar year: And when such additional justice, or justices, shall have been so appointed no vacancy caused by the death, resignation or retirement of a justice (except the Chief Justice) who has reached the age of seventy five years, shall be filled, unless the filling of such vacancy is necessary to maintain at not less than nine the number of justices who have not reached the age of seventy five. The number of appointments so made shall not, at any time, increase the total number of justices by more than two-thirds of the permanent membership of the court. If the number of members of the Supreme Court is in excess of nine not less than two-thirds of the membership shall constitute a quorum. As used in this Section, the term 'justice' shall not include a justice who has retired from regular, active service.' "

Early.

August 16, 1935

PPF. 473

Dear Senator:

This is to remind you of and thank you for your acceptance of the President's invitation to meet with him at the White House, Sunday evening at eight thirty o'clock.

Very sincerely yours,

STEPHEN EARLY
Assistant Secretary to
the President

Honorable Joe Robinson,
United States Senate,
Washington, D. C.

ste-pls

PPF. 473

Hyde Park, New York,
September 11, 1935.

My dear Senator:

I have your letter of September third with respect to Carroll Cone, and want to assure you that I will keep your recommendation in mind.

With kind regards,

Very sincerely yours,

Honorable Joe T. Robinson,
United States Senate,
Washington, D. C.

COMMERCE
Recommending Mr. Cone for appointment as Director of Aeronautics.

1st copy filed 3-P

Poughkeepsie, N. Y.,
September 11, 1935.

MEMORANDUM FOR SECRETARY ROPER:

Respectfully referred for your consideration.

M. H. McINTYRE
Assistant Secretary
to the President

mwd

Letter of 9-3-35 to the Pres. from Senator Joe T. Robinson, recommending Carroll Cone for appointment as Director of Aeronautics.

THE WHITE HOUSE
WASHINGTON

March 13, 1936

PERSONAL AND CONFIDENTIAL

My dear Senator:

No reply has been made to this and I doubt whether any should.

The President, however, wanted me to show it to you and talk to you about it.

The only disadvantage about just ignoring it - and that's what it rates - is the fact that he may later on make it public and say that the President refused to come out for Robinson.

My own idea about it is to find an indirect reply by the President, saying something publicly that would convey the answer.

I would like to talk with you about it Monday when we discuss the Arkansas trip.

Sincerely yours,

M. H. McINTYRE
Assistant Secretary
to the President

Honorable Joseph T. Robinson,
United States Senate,
Washington, D. C.

Enclosure

473

March 15, 1936

PERSONAL AND CONFIDENTIAL

My dear Senator:

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Sincerely yours,

M. H. McINTYRE
Assistant Secretary
to the President

Honorable Joseph T. Robinson,
United States Senate,
Washington, D. C.

mwd

Enclosure
Letter of 3-8-36 to the Pres. from J. Rosser Venable, Little Rock, Ark., asking the President, "Do you intend to endorse Robinson in your speech in your visit to Arkansas?" and stating that this question must be answered by Pres. personally.

Little Rock Ark
Mar 8 / 1936

Dear Mr. President:

I am asking you a point blank question. Do you intend to endorse Robinson in your speech in your visit to Arkansas?

This question must be answered by you personally.

J. Fraser Venable
"Arkansas's ex-U.S. Senator"

Refusal to answer may cause some political worry. ~~Literary~~ Digest show you 60% and Robinson is far less in strength

STANDARD FORM No. 14A
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM The White House
Washington

JULY 3 1936

U.S. GOVERNMENT PRINTING OFFICE

PPF 473

HONORABLE JOE T ROBINSON
JEFFERSON ISLAND CLUB
Sherwood, Md.

THE PRESIDENT REGRETS EXCEEDINGLY THAT IT WILL NOT BE POSSIBLE FOR HIM TO JOIN YOU FOR LUNCH ON MONDAY STOP SOME MATTERS HAVE COME UP HERE IN WASHINGTON WHICH MAKES IT IMPERATIVE THAT HE RETURN TO WASHINGTON EARLY MONDAY MORNING REGARDS

M. H. McINTYRE
Assistant Secretary to the President

P.P.F. 473

THE WHITE HOUSE
WASHINGTON

October 7, 1936.

MEMORANDUM FOR
GOVERNOR WINANT

Will you speak to me about this at your convenience?

F. D. R.

Pers. & Conf. let. from JOE T. ROBINSON, 10/1/36, regarding administrative officers of Social Security Bd. who "gleefully throw obstacles in the way of Demo. success in the approaching election"; feels Democrats do not receive fair consideration; suggests 2 Demos. should be placed on the Bd.

Also states complaints against WPA are mis-handled and should not be ignored.

(Envel. marked "personal & confidential")

May 12, 1936

P.P.F. 130
4-7-30

CONFIDENTIAL

MEMORANDUM FOR ACTING DIRECTOR BELL:

The President asked me to take this up with you and see what you think. Will you return this with your recommendations.

M. H. McINTYRE
Assistant Secretary
to the President

mm

Confidential Memo to the President from Joe T. Robinson. Re S 630, pending before the House Committee on Agriculture, to authorize the reduction in interest on loans by the RFC to levee, drainage etc. districts for refinancing purposes. Will appreciate the President's calling the matter to the attention of Congressman Jones, Chairman.

PPF 473

STEVE:

I think you should get this over to Sen. Robinson the first thing this morning.

F.D.R.

File

Too late to send to the Committee R's speech already completed

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY
WASHINGTON

Jan. 27, 1936.

Dear Mr. President:-

I enclose a few rough notes which I have made for Senator Robinson's speech. I have sent them along to him, and thought you might be interested in the marked paragraph on page 2.

P. P. F. 473

Sincerely yours,

Cordell Hull

x598

x20

The President,
The White House.

PPF 476
1925

January 27, 1936.

MEMORANDUM FOR

HONORABLE JOSEPH T. ROBINSON.

PDF 3146
x1150

The so-called Liberty League, of course, has the most perfect right to dine and to offer entertaining speeches for public consumption, as on last Saturday evening in Washington. The American people, however, have an equal right to know and understand the real background and significance of this widely advertised occasion. It is entirely fair to say that the Liberty League is to all practical intents and purposes the du Pont League, since it is largely, if not chiefly, financed by the du Ponts and their personal affiliates and interlocking relationships.

In the second place, this was a du Pont sponsored dinner occasion, judging by the presence and conspicuous position of most members of the entire du Pont family and their personal affiliates or associates. The fact that a dinner largely representing vast accumulated wealth and vested interests was thus staged, even though intended to affect public opinion, is still entirely within the rights of those sponsoring the same.

It is fair also to say that the du Ponts at this dinner are speaking for what the President in his

Jackson

Jackson Day speech described as the "small but powerful" group of business men whose social, business and economic philosophy was that which dominated the Hoover administration and piloted the nation to unparalleled disaster in 1928-32. It is assumed that they were honest in their wholly narrow and unsound ideas then as now.

Evidently the du Pont dinner on Saturday evening was speaking for the Mellon-Grundy-du Pont-Hoover group in charge of the nation up to and during the depression of 1929-33. This they have a perfect right to do, but there should be no misunderstanding as to the identity and the objective of those who evidently dominate the policies and the course of the so-called Liberty League.

They know that the supreme objective of the Roosevelt administration is democracy, economic security, and social justice; and that in view of the devastating Hoover depression, it is necessary for the federal government to inaugurate both a temporary emergency program and a long-view or permanent program, the former gradually disappearing or merging into the latter as emergency conditions disappear, save in those instances where new economic or social conditions and their reforms render patently necessary the permanent adoption of portions or phases of the temporary program. It is patent that

those

those whose narrow, shortsighted, and selfish economic policies were more than any other single factor responsible for the panic, should not again be placed in charge of the federal government, still clinging as they are to those identical ideas, plans and policies.

This group of "small but powerful" business men have a perfect right to segregate themselves and seek again to foist their suicidal economic philosophy upon the nation, as they did during the Hoover administration, but they must not and shall not do so in disguise or under false pretense. They cannot and shall not assume a self-righteous attitude and, wrapping themselves in the American flag, pretend to the American people that, like the Pharisee, they are different from what they really are, and that they are not like other men. Since when have our du Pont friends secured a monopoly either in the American flag or in the patriotism of this great Republic? Who gives them the right to desecrate the names of Jackson and Jefferson by invoking their names in support of their vested interest, monopolistic, and chiefly selfish ideas?

The fantastic nature of their attack was in the climax of those who were speaking for them to the effect that America of today is Russia of today. Every school

child

child in every civilized nation knows the utter absurdity and falsity of this imputation. The du Ponts would not have been allowed to stage this Belshazzar occasion, nor any of its wide high-sounding publicity in Russia, where there is no freedom of the press, or of speech, or of religion, or right of trial by jury, or of petition, or of peaceful assemblage, or of personal or property rights or of personal liberties of scarcely any kind or description. And yet the solemn comparison of this nation today with Russia was about as accurate and fair as many other statements and solemn conclusions in the speech-making at the du Pont dinner.

PPF 473

THE WHITE HOUSE
WASHINGTON

March 13, 1936.

MEMORANDUM FOR

SENATOR ROBINSON

The enclosed is part of a letter from a prominent and very successful New York business man. Obviously I cannot use his name but he puts in writing verbal rumors that come from other good sources.

In strict confidence, I am wondering whether it is worth considering that you or Alben Barkley use this - or part of it - in a speech over the air within the next few weeks. If something in the way of a market attack or a break comes to pass in the late spring or summer or early fall, we would have a record which might be helpful in showing the cause.

F. D. R.

F.D.R.

473

October 26, 1936.

Dear Joe:-

It is good to get your letter and since October sixteenth things seem to be continuing the improvement.

I am going into Pennsylvania next Thursday for a last whirl and to Wilmington, Delaware, just to assure myself that the Du Ponts are not broke!

In regard to the Middle West, I have but one slight worry and that is Indiana. I cannot get it out of my head that we are weaker there than in Ohio and Illinois.

The New England trip brought out the most amazing tidal wave of humanity I have ever seen. I think we have a real possibility

in Massachusetts and some chance in Connecticut and Rhode Island.

Keep up the good work.

As ever yours,

Honorable Joseph T. Robinson,
Little Rock,
Arkansas.

PHONES { NO. 1
NO. 266

LAW OFFICES
GROVER C. JAMES
JOPLIN NATIONAL BANK BUILDING
JOPLIN, MISSOURI

ASSOCIATE ATTORNEYS
J. D. JAMES
ROBERT E. SEILER

October 24, 1936.

Mr. H. M. McIntyre,
Assistant Secretary,
The White House,
Washington, D. C.

(1 letter re this
send. of Tillman
B. Parks, for Bk
of Jap, Expedite
Sent to Treasury

Dear Mac:

I am sending to the President two letters in a single envelope and ask that you bring both the messages to his personal attention.

Everything seems to be moving in our favor in the matter of the Election. I have never before seen such enthusiasm as is manifested by the audiences I have addressed. My itinerary has carried me through Pennsylvania, Ohio, Indiana, Illinois, Michigan, Iowa and Missouri.

With greetings and regards.

Sincerely yours,
Joe T. Robinson

JTR:w

PHONES { NO. 1
NO. 266

LAW OFFICES
GROVER C. JAMES
JOPLIN NATIONAL BANK BUILDING
JOPLIN, MISSOURI

ASSOCIATE ATTORNEYS
J. D. JAMES
ROBERT E. SEILER

October 24, 1936.

Honorable Franklin D. Roosevelt,
The White House,
Washington, D. C.

My dear Mr. President:

I have now completed my itinerary, having visited Pennsylvania, Ohio, Indiana, Michigan, Illinois, Iowa and Missouri. To my very great pleasure it is indicated that you will carry every one of these states, although my knowledge of the details is hardly a sufficient basis for a reliable conclusion. Your visits to Michigan and Chicago are still talked about by the people with great enthusiasm. If Farley could have some financial assistance sent direct to Frank Murphy, it would be a very kind thing to do and would produce wholesome results.

I have every confidence of an overwhelming victory on the Third.

Receive my cordial greetings and best wishes.

Sincerely yours,

Joe T Robinson

JTR:w

South Bend, Indiana
October 16, 1936

The President
White House
Washington, D. C.

Dear Mr. President:

Perhaps you will be interested to know about my observations and conclusions touching the campaign in certain areas.

I was agreeably surprised at the enthusiasm displayed upon the occasion of my meeting in Philadelphia. The auditorium was packed, more than 3000 people were unable to gain admission, and there was every evidence that the organization is functioning like clockwork. I made a wager that you will not carry Philadelphia by 50,000 majority, stating that it would make me happy to lose the bet. Kelly and his associates think that the majority may even exceed 50,000 in that city. This needs no comment. I still cannot believe it possible.

In Ohio our cause has been gaining ground during the last month, and when you pass through the state many proofs will be exhibited. Canton, where I spoke, was formerly a Republican stronghold. There is no doubt in my mind that the National Ticket will carry it by a large majority.

I have not had much opportunity to size up the situation in Indiana. On arrival yesterday I drove about the city and talked with a number of citizens, including some in charge of filling stations. They did not know my interest and it is assumed that their responses were uninfluenced by my identity. All that I heard is favorable. This is pleasing because, as you know, South Bend frequently has gone overwhelmingly Republican.

It has been gratifying to note the remarkable receptions accorded you.

With greetings and good wishes, I am

Sincerely yours,

JTR/t

File

January 28, 1937.

Dear Colonel Halsey:-

Thank you for sending to me Senator Robinson's remarks on the floor of the Senate, which I have shown to the President. He appreciates your thoughtfulness in sending them along.

With every good wish, I am

Very sincerely yours,

Administrative Assistant
to the President.

Colonel Edwin A. Halsey,
United States Senate,
Washington, D. C.

JR:IW

Mr. Robinson. Mr. President, will the Senator yield for just a moment?

Mr. Bailey. I yield.

Mr. Robinson. I thank the Senator. I am compelled to leave the Chamber in a few moments.

I repudiate the implication which has been injected into this debate that the Constitution of my country and yours renders the national Government powerless to relieve distress and suffering of the people who constitute its citizenship. If that doctrine was ever entertained by any considerable number of lawyers or others in this country, it has long ago been abandoned; and instead of indulging in the hope that the U. S. will go back, as ome here have suggested, to a theory and a practice that disarm the greatest power we possess in the face of peril, I express the hope that our national government will go forward rather than backward.

We now have a situation in which 500,000 people in the U. S. have been driven by floods from their homes in terror. The doctrine of the veto message cited by the Senator from Virginia is that those people should not rely on the national government for assistance; that the national Government should have and exercise no power to render them aid; that all power that exists, and all assistance that should be extended must come from the neighbors/out of those who are in distress; and yet it is pointed that most of the neighbors are in the same situation as those sought to be relieved by legislation of the character now pending.

There is practically no limitation on the appropriating power of the Congress except that which is imposed by conscience and a sense of duty. The National Government has the power to prevent farmers from starving or from being driven onto the relief rolls by lending them money with which to plant and to make crops. There is not the slightest likelihood that the Government will ever go back to the doctrine that the Constitution of this country renders the U. S. powerless in time of great peril to aid its citizens.

Of course the Congress must exercise its very great powers in good conscience and in good faith, and of course there are dangers that grow out of the employment of such powers in any other way than that suggested. No real danger lies in using all the powers which exist, whether they be State, national, or individual, in times when the lives and the property of millions of people are imperiled (Applause)

Let us get the idea out of our minds that we are doing anything wrong when we use the power we have to help people who are suffering. It is a doctrine which can not be shielded behind the Constitution or under the flag of our country. The Federal Government has the power, and has exercised that power, and it will continue to do so. I would hide my face in shame if I held that there is no power, save that

possessed by those who are helpless, to face the storm and peril.(applause) The Congress must be the judge when the necessity for action exists. And when it acts, no permanent harm will come to anything or anybody worth preserving and protecting.

Mr. Glass rose.

Mr. Bailey. Mr. President, I shall be very happy to yield to the senior Senator from Va.; but I did desire to conclude.

Mr. Glass. I will not interrupt the Senator. I will speak in my own time.

Mr. Bailey. I shall be through in just a moment.

Mr. Robinson. Mr. President, I apologize to the Senator from N. C. for talking so much of time, but, as I stated in the beginning of my remarks, I shall be compelled to leave the Chamber soon.

EDWIN A. HALSEY
SECRETARY

United States Senate

PPF 473

Dear Mr. Roosevelt:

This is a copy of Senator Robinson's remarks on the floor of the Senate today, which you may wish to show to your father.

E.A.H.

PPF 473

August 23, 1937.

My dear Mr. Robins:-

I am very grateful to you for sending me that interesting correspondence with my sincere friend, Joe Robinson.

It is part and parcel of a vicious campaign of misrepresentation on the part of certain newspapers and many other reactionaries to make it appear that Senator Robinson was not wholeheartedly in favor of judicial reform extending from the lawyers to the courts -- up to and including the Supreme Court itself. He well knew the forces arraigned against us and he was wholeheartedly with us.

I am glad, indeed, to have copies of these letters. They confirm what I had never doubted.

Very sincerely yours,

R. W. Robins, Esq.,
Conway,
Arkansas.

Letter given to T. G. C. for Speech Material

COPY June 11, 1937.

PPF 473

CONFIDENTIAL

MEMORANDUM FOR

SENATOR (JOSEPH) ROBINSON

This amendment suggested by Senator (Charles O.) Andrews stating that the Supreme Court shall be composed of a Chief Justice at large and one Associate Justice from each of the Circuit Courts of Appeal is, of course, clearly unconstitutional, as the Supreme Court is a constitutional office and not a legislative office except as to numbers. The same purpose can, of course, be arrived at by the establishment of Presidential custom.

The suggested amendment on the yellow sheet is lovely in theory and constitutional but in practice it would not work fairly. For example, in the Ninth Circuit there are seven States and there are seven members of the Circuit Court of Appeals. But California has more population and more business in the Circuit Court of Appeals than all the other six States put together.

I only told Senator Andrews that I hoped that he would talk with you.

F. D. R.

Ref. Sen. Andrews amendment to Sec. 1 of S. B. 1392.
Also suggested addition to this amendment on yellow sheet.

SEE 41-A - for first carbon
(Official Files)

P. P. F.

473

P. P. F.

473

FOR THE PRESS IMMEDIATE RELEASE July 15, 1937

The President today addressed the following letter to Senator Alben W. Barkley of Kentucky:

"July 15, 1937.

"My dear Alben:-

"I am glad you called my attention to certain events of yesterday and today. Lest there be any misunderstanding in regard to judicial reform, please let me clarify the situation.

"Since the untimely death of our Majority Leader, I had hoped with you that at least until his funeral services had been held a decent respect for his memory would have deferred discussion of political/legislative matters.

"It is, therefore, with regret that I find that advantage is being taken of what, in all decency, should be a period of mourning.

"Because of this situation, however, I am compelled in the public interest, though against every inclination, to write to you. I do this because you are the Acting Majority Leader in the Senate.

"Over four years ago it became apparent to the American people and to the leadership of the new Administration of the National Government and to the newly elected Congress that grave problems of many kinds called for great reforms. The American people, in an overwhelming majority, recognized the need for bank reform, for agricultural reform, for labor reform, for housing reform and for judicial reform.

"I cite the above merely as examples. Other lesser reforms went hand in hand with them as national needs. The Congress and the Administration effected during the first four years many of these reforms. The reform of the processes of justice, the need for which was nothing new, was recommended by me on February fifth of this year. The time had come to act.

"In my Message to Congress I set forth objectives. With these objectives the overwhelming majority of the people of this country were in accord. With these objectives the overwhelming majority of the Congress were in accord.

"Proposed tentative legislation was drawn at that time to facilitate discussion of methods in both Houses of the Congress and discussion commenced immediately in the Congress and throughout the country.

"Let me make clear once more the objectives. They constituted improvements in the process of justice in all Federal courts, from the lowest to the highest. Those improvements included systematic addition of younger judges to all such courts in which there were judges beyond retirement age who had not taken advantage of retirement privileges -- for the dual purpose of helping the older judges give a maximum of justice in a minimum of time, and of keeping the social viewpoints of the courts abreast of changing conditions. Those improvements also contemplated adequate machinery for supervision by the Supreme Court of the expeditious dispatch of business by the lower courts, and for getting constitutional questions to the Supreme Court without delay.

"These were the objectives. At no time have I or any member of my Administration insisted that the method or methods originally proposed be sacred or final except to point out that action was of immediate necessity and, therefore, that the process of constitutional amendment was an impossibility if the objective was to be attained within a reasonable time. It is, of course, clear that any determined minority group in the nation could, without great difficulty, block ratification by one means or another in at least thirteen states for a long period of time.

"Objectives can be obtained by constitutional legislation and both the original bill and Senator Robinson's bill were clearly constitutional.

"There was the other reason for action by legislation rather than by constitutional amendment. The situation of the civilized world has been, for several years, at a point of extreme danger. This has been caused by three factors -- aggression and armament, economic crisis and major social needs.

"The United States is happily free from any thought of aggression or armament for aggression, but the people of the United States have called for economic security and for major social improvements. National safety demands them.

"About a month ago Senator Robinson advised me that some new form or forms of method were called for if the objectives of judicial reform were to be attained. I told him that in my judgment the bill he proposed would be a satisfactory method of attaining such objectives. I told him further what I

had told to all others who have asked my opinion -- that on the Congress of the United States falls the primary responsibility for the adoption of methods but that on the President falls the responsibility of recommending objectives. This is in accordance with the Constitution.

"To abandon any reform of the judicial processes at this session of the Congress means an abandonment of the objectives.

"An abandonment of judicial reform, including, of course, all the Federal Courts, because of the inability of a majority of Senators or a majority of Representatives to agree on method and reach a vote, places the responsibility squarely on the Congress of the United States.

"May I, therefore, tell you very simply once more that the objectives of the President, and, I believe of the great majority of our citizens, remain the same, and that I believe that it is the duty of the Congress, and especially of the members of the majority party in the Senate and the House of Representatives, to pass legislation at this session to carry out the objectives."

"Very sincerely yours,

(s) "FRANKLIN D. ROOSEVELT"

"Honorable Alben W. Barkley,
"United States Senate,
"Washington, D. C."

JOE T. ROBINSON, CHAIRMAN

United States Senate

CONFERENCE OF THE MAJORITY

January 21, 1937

To the President
The White House
Washington, D. C.

Dear Mr. President:

The enclosed communication to me from the E. Ingraham Company showing that in the industrial center of Hartford County, Connecticut, the report of the Manufacturers' Association indicates employment to be 109% of January 1, 1929, and as to Bristol the employment appears to be 118%. There exists there, of course, a lack of skilled labor as appears to be the condition existing almost everywhere else.

Your inaugural address sounded like the words of old Andrew Jackson. It rang like a fire bell.

Sincerely yours,

Joe. T. Robinson

473

January 23, 1937.

Dear Joe:-

Many thanks for letting me see the enclosed. There is no question in my mind that in practically every industrial center skilled labor and most semi-skilled labor is employed as well as in 1929. The problem comes with some of the semi-skilled and several millions of the unskilled. I incline to the thought that if in some way we can accomplish, by legislation, a shortening of hours for the unskilled, a large part of the unemployed will be taken off the relief rolls.

Next week I hope to talk with you about this.

As ever yours,

Honorable Joe T. Robinson,
United States Senate,
Washington, D. C.

P.P.F.
473

Mr McIntyre

FOR THE PRESS IMMEDIATE RELEASE July 14, 1937.

BY THE PRESIDENT

In the face of a dispensation so swift in its coming and so tragic in the loss it brings to the Nation, we bow in sorrow. A pillar of strength is gone. A soldier has fallen with face to the battle.

I personally mourn the passing of a greatly beloved friend whose fidelity through long years never wavered. Those who knew Joseph Taylor Robinson best recognized in him the qualities of true liberal thought. Mindful of the needs of the underprivileged he was devoted always to improvement of the lot of the masses.

In his going Joe Robinson has left a record as high in achievement as it was faithful in performance. He never temporized with principle nor bargained where the public interest was the issue. But, day by day, through long service in high office, he brought to the National Councils the contribution of great learning and sound wisdom - a leadership inspired by courage and guided by consummate common sense and a devotion to duty given without selfish interest.

And so death found him at the last with hope unfaltering, with vision undimmed, and with courage unafraid. Of him well may it be said: He has fought a good fight; he has finished his course; he has kept the faith.

- - - - - - - - - - - - - - - - - - -

PPZ
#73
file

In the Senate of the United States

July 15, 1937.

Resolved, That invitations be extended to the President of the United States and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard to attend the funeral of the **Honorable Joseph T. Robinson**, late a Senator from the State of Arkansas, in the Senate Chamber, at 12:00 o'clock noon, Friday, July 16, 1937.

Attest:

Secretary.

Order of Services at the Funeral

of

Joseph T. Robinson

Late a Senator of the United States from the
State of Arkansas

Order of Services at the Funeral

of

Joseph T. Robinson

Late a Senator of the United States from the State of Arkansas

---

The services will be held at 12.00 o'clock noon Friday, July the Sixteenth, Nineteen Hundred and Thirty-seven.

The body of the late Senator JOSEPH T. ROBINSON will be placed in the Senate Chamber prior to the services.

The President of the United States and his Cabinet, the Chief Justice and Associate Justices of the Supreme Court, the Diplomatic Corps, the Members of the House of Representatives, the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard have been invited to attend the services in the Chamber, and will occupy the seats on the floor of the Senate assigned them by the Sergeant-at-Arms.

The President and his Cabinet will meet in the President's Room.

The Supreme Court will meet in the office of the Secretary of the Senate.

The Diplomatic Corps, the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard will meet in the Senate Reception Room.

The Vice President's Room will be reserved for the members of the family of the late Senator and the officiating clergy, whence they will be escorted to seats on the Senate floor.

Seats will be reserved for those entitled to them upon the floor, to which they will be shown by the attachés of the Senate.

July 16, 1937

PPF 473

My dear Mr. Hessler:

The President has asked me to express his sincere appreciation of your courtesy in sending him the photograph. He is indeed grateful for your kind thought of him.

x PPF 79-O
x PPF 79-H

Very sincerely yours,

M. A. LeHand

M. A. LeHand
PRIVATE SECRETARY

Leo G. Hessler, Esq.,
1141 Connecticut Avenue,
Washington, D. C.

1141 CONNECTICUT AVENUE WASHINGTON, D. C. TELEPHONE METROPOLITAN 1411

Hessler Studio

PORTRAITS

asked 7-16-37

Thanks M

July 14, 1937

President Franklin D. Roosevelt
Care of Mr. Marvin H. McIntyre
White House
Washington, D.C.

Dear Mr. President:

Would you kindly accept, with my compliments, this portrait of Senator Robinson, which I believe is his latest posed photograph, having been made only a short time ago.

Knowing your deep devotion and personal regard for this famous statesman, I felt you might like to have this print.

Very truly yours,

Leo G. Hessler

HESSLER STUDIO

LGH/ GPS

STANDARD FORM No. 14A
APPROVED BY THE PRESIDENT
MARCH 10, 1926

Dictated to EWS by
Miss Le Hand

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM The White House
Washington

July 14, 1937.

U. S. GOVERNMENT PRINTING OFFICE 113669

xOF-4471

473

F. P. F.

Hon. Carl E. Bailey,
Governor of Arkansas,
Little Rock, Ark.

The whole nation joins with me in expressing to you and the people of Arkansas our sympathy and sense of loss in the passing of a great leader and public servant.

FRANKLIN D. ROOSEVELT.

xPP755

P. P. F.

473

July 16, 1937.

Dear Uncle Fred:-

Just a line to thank you for your very nice telegram. Joe is a great loss and his death is very sad, particularly as he was really enjoying the fight having got the Senate to agree to the executive day. We shall all miss him.

Affectionately,

Honorable Frederic A. Delano, xPPF 72
Interior Building,
Washington, D. C.

MEMO FOR THE P. S.

Will you prepare a little line to him?

F. D. R.

TELEGRAM

The White House
Washington

7WU. RA. 36- 1:35 p.m.

Newburgh, N. Y., July 14, 1937

THE PRESIDENT.

I feel more than sorry that you have lost a staunch and loyal friend; indeed, the Right Bower of your Administration. This should make many others feel that more than ever they owe you their loyalty.

Frederic A. Delano.

TELEGRAM

The White House
Washington

file
OF 7
473

2WU. RA. 14- 9:27 a.m.

Cambridge, Mass., July 14, 1937

THE PRESIDENT.

Feel for you very deeply in your loss of a devoted and valiant aide.

Felix Frankfurter.

x OF 7140

P. P. F.

473

March 17, 1938

x400 Ark. 2

My dear Mrs. Robinson:

It was good to get your telegram of March tenth and Mrs. Roosevelt and I are delighted that you are so happy in your new post.

We send you our best wishes.

Very sincerely yours,

RB/mma

Mrs. Joseph T. Robinson,
Acting Postmaster,
Little Rock,
Arkansas.

March 17, 1938

My dear Mrs. Robinson:

It was good to get your telegram of March tenth and Mrs. Roosevelt and I are delighted that you are so happy in your new post.

We send you our best wishes.

Very sincerely yours,

RB/mma

Mrs. Joseph T. Robinson,
Acting Postmaster,
Little Rock,
Arkansas.

TELEGRAM

The White House
Washington

13wumc 42DL 504pm

SU Little Rock, Ark., March 10,1938.

Prez
Prefer a very nice letter for me to send her

acted 3/16/38 mma

THE PRESIDENT.

Notice has been received of my appointment as Acting Postmaster for Little Rock. I am deeply grateful to you for this honor and recognition. My best wishes to both you and Mrs.Roosevelt for your continued good health and happiness. Sincerely.

Mrs.Joe T.Robinson.

P.P.F. 473

THE WHITE HOUSE
WASHINGTON

4/22/38

Sent 4-27-38 gkc

MEMORANDUM FOR MISS LeHAND:

Mrs. Joseph T. Robinson saw the President this morning and requested a photograph, autographed to her, to be used in her office. She is postmistress in Little Rock, Arkansas.

Will you please have this done?

M. H. M.

March 29, 1938

P. P. F.

473

Mr. George C. Bailey,
Chairman Joe T. Robinson
Memorial,
Lonoke, Arkansas.

Dear Mr. Bailey:

I have your letter of March 15, 1938, with reference to a memorial to the late Senator Joseph T. Robinson, proposed to be erected at Lonoke, Arkansas.

Senator Robinson was for many years my personal friend, loyal and steadfast, just as he was your friend and the friend of the State and nation he served so long and so well, and I am glad to know of the purpose of your Committee to perpetuate his memory in some way that will be most fitting and appropriate and will best express the affection of his fellow countrymen everywhere.

You ask me to advise you whether the expense of this memorial could be handled through a bill providing for Federal aid. If Congress in its wisdom should see fit to authorize such expenditure of Federal funds, there would be no question of its legality. The propriety, however, of such a procedure, in view of the precedent that it would thereby establish, might in the opinion of Congress be subject to serious question.

Knowing Joe Robinson as I did, the quality of his statesmanship and the unselfishness of his service, I very much doubt, could he speak his thought today, if he would desire that an appropriation of Federal funds should be made for such a purpose.

Sincerely yours,

HLF/mlr 3/25/38.

THE WHITE HOUSE
WASHINGTON

March 21, 1938.

MEMORANDUM FOR

THE ACTING DIRECTOR OF THE BUDGET

FOR PREPARATION OF REPLY

FOR MY SIGNATURE.

F. D. R.

Letter from Geo. C. Bailey, Chairman, Joe T. Robinson Memorial, Lonoke, Ark., 3/15/38 to the President. Refers to plan for the construction of a Joe T. Robinson Memorial in his home town of Lonoke. The architectural drawings of the Memorial Building will be the Joe T. Robinson Historical Room and a Library and Tower. This structure is to be of stone and the cost is estimated at $250,000. Would like to know whether the expense of this Building can be handled through some bill calling for Federal Aid.

BUREAU OF THE BUDGET

MEMO. FOR THE PRESIDENT:

Herewith is draft of reply for your signature, as requested in your memorandum of March 21.

DWB
Acting Director.

MAR 28 1938

GEO. C. BAILEY
PRESIDENT

GLYNN C. BAILEY
VICE-PRESIDENT

H. W. BAILEY
SECRETARY

L. H. BAILEY
TREASURER

Bailey Hardwood Lumber Co.

OAK, HICKORY, GUM, ASH & ELM—
CLEAR DIMENSION STOCK

WAGON & FURNITURE STOCK, CAR
MATERIALS, HEAVY OAK TIMBERS,
SWITCH TIES, SAWDUST

LONOKE, ARK.

March 15, 1938

Hon. Franklin D. Roosevelt
President of the United States
Washington, D. C.

My dear President:

A committee has been appointed for the purpose of building a Joe T. Robinson Memorial here in his home town of Lonoke. As Chairman of this committee I have recently taken up this matter with our two Arkansas Senators, Senator Caraway and Senator Miller.

The architectural drawings of the Memorial Building will be the Joe T. Robinson Historical Room and a Library and Tower. This structure is to be of stone and the cost is estimated at $250,000.00.

Knowing Senator Robinson was very near to you, we would deeply appreciate having your advise as to whether the expense of this Building can be handled through some bill calling for Federal Aid.

It is a great pleasure indeed to be a member of this Committee and we are very anxious to see a Memorial constructed here in honor of our beloved friend, the late Senator Joseph T. Robinson.

Thanking you for your kind consideration in this matter, I am

Sincerely yours,

Geo. C. Bailey

Geo. C. Bailey, Chairman
Joe T. Robinson Memorial

GCB:sdh

JOE T. ROBINSON, CHAIRMAN

United States Senate

CONFERENCE OF THE MAJORITY

July 2nd, 1937

file P.P.F. 473

x598
x41 [illegible]
x41+misc
x419

Dear Mr. President:

I am sending by special messenger a copy of the draft of the substitute court reorganization bill as agreed upon. It will be submitted to the Senate today immediately on convening and will be printed.

I hope to take the bill up Tuesday or Wednesday.

Sincerely yours,

Joe. T. Robinson.

To the President
The White House
Washington, D. C.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 1. Section 215 of the Judicial Code of the United States is hereby repealed and reenacted to read as follows:

"SEC. 215. The Supreme Court of the United States shall consist of a Chief Justice and eight associate justices, any six of whom shall constitute a quorum; provided, however, the number of justices may be ~~temporarily~~ increased by the appointment of an additional justice in the manner now provided for the appointment of justices, for each justice, including the Chief Justice, who at the time of the nomination has reached the age of seventy-five years, but not more than one appointment of an additional justice as herein authorized shall be made in any calendar year, provided that the authority to appoint for any calendar year shall not lapse by reason of the rejection of the nomination, delay in confirmation, inability to nominate during an adjournment of the Senate or withdrawal of the nomination in a succeeding calendar year; and when such additional justice, or justices, shall have been so appointed no vacancy caused by the death, resignation or retirement of a justice (except the Chief Justice) who has reached

the age of seventy-five years, shall be filled, unless the filling of such vacancy is necessary to maintain at not less than nine the number of justices who have not reached the age of seventy-five. The number of ~~temporary~~ appointments so made shall not, at any time, increase the total number of justices by more than two-thirds of the permanent membership of the Court. If the number of members of the Supreme Court is in excess of nine not less than two-thirds of the membership shall constitute a quorum. As used in this section, the term 'justice' shall not include a justice who has retired from regular, active service."

SEC. 2. (a) An additional judge of any court of the United States other than the Supreme Court may be appointed, in the manner now provided by law, and to the same court, for each judge, appointed to hold his office during good behavior, who at the time of nomination of the additional judge has reached the age of seventy years.

(b) The number of judges of any such court shall be ~~temporarily~~ increased by the number appointed thereto under the provisions of subsection (a) of this section but no vacancy shall be created ~~or~~ by the death, resignation or retirement of a judge of such court (other than a chief justice) whose continuance in office has occasioned the appointment of an additional judge.

-M

No appointment shall be made under subsection (a) which at any one time would result in (1) more than twenty judges in regular active service, in addition to those otherwise authorized by law, or (2) an addition of more than two judges to the number otherwise authorized by law to be appointed to any circuit court of appeals, the Court of Claims, the United States Court of Customs and Patent Appeals, or the United States Customs Court, or (3) more than twice the number of judges otherwise authorized by law to be appointed for any district or, in the case of judges appointed for more than one district, for any such group of districts.

(c) Three-fifths of the judges of each of the following courts shall constitute a quorum thereof: the United States Court of Appeals for the District of Columbia, the Court of Claims and the United States Court of Customs and Patent Appeals.

(d) An additional judge shall not be appointed under the provisions of this section when the judge who has reached the age of seventy years is commissioned to an office as to which Congress has provided that a vacancy shall not be filled.

SEC. 3. (a) Any Circuit Judge may be designated and assigned from time to time by the Chief Justice of the United States for general service in the circuit court of appeals for any circuit. Any district judge may be designated and assigned

from time to time by the Chief Justice of the United States for general service in any district court, or, subject to the authority of the Chief Justice, by the senior circuit judge of his circuit for general service in any district court within the circuit. A district judge designated and assigned to another district hereunder may hold court separately and at the same time as the district judge in such district. All designations and assignments made hereunder shall be filed in the office of the clerk and entered on the minutes of both the court from and to which a judge is designated and assigned, and thereafter the judge so designated and assigned shall be authorized to discharge all the judicial duties (except the power of appointment to a statutory position or of permanent designation of a newspaper or depository of funds) of a judge of the court to which he is designated and assigned. The designation and assignment of a judge shall not impair his authority to perform such judicial duties of the court to which he was commissioned as may be necessary or appropriate. The designation and assignment of any judge may be terminated at any time by order of the Chief Justice or the senior circuit judge, as the case may be.

(b) After the designation and assignment of a judge by the Chief Justice, the senior circuit judge of the circuit in which such judge is commissioned may certify to the Chief Justice any consideration which such senior circuit judge believes to make advisable that the designated judge remain in or return for service in the court to which he was commissioned. If the Chief Justice deems the reasons sufficient he shall revoke, or designate the time of termination of, such designation and assignment.

(c) In case a trial or hearing has been entered upon but has not been concluded before the expiration of the period of service of a district judge designated and assigned hereunder, the period of service shall, unless terminated under the provisions of subsection (a) of this section, be deemed to be extended until the trial or hearing has been concluded. Any designated and assigned district judge who has held court in another district than his own shall have power, notwithstanding his absence from such district and the expiration of any time limit in his designation, to decide all matters which have been submitted to him within such district, to decide motions for new trials, settle

bills of exceptions, certify or authenticate narratives of testimony, or perform any other act required by law or the rules to be performed in order to prepare any case so tried by him for review in an appellate court; and his action thereon in writing filed with the clerk of the court where the trial or hearing was had shall be as valid as if such action had been taken by him within that district and within the period of his designation. Any designated and assigned circuit judge who has sat on another court than his own shall have power, notwithstanding the expiration of any time limit in his designation, to participate in the decision of all matters submitted to the court while he was sitting and to perform or participate in any act appropriate to the disposition or review of matters submitted while he was sitting on such court, and his action thereon shall be as valid as if it had been taken while sitting on such court and within the period of his designation.

(d) When any Judge is assigned to duty outside of his District or Circuit his subsistence allowance shall be ten dollars per diem.

and status of litigation in the district courts and circuit courts of appeals, and such other information as the Supreme Court may from time to time require by order, and it shall be the duty of any judge, clerk, or marshal of any court of the United States promptly to furnish such information as may be required by the Proctor; (2) to investigate the need of assigning district and circuit judges to other courts and to

make recommendations thereon to the Chief Justice; (3) to recommend, with the approval of the Chief Justice, to any court of the United States methods for expediting cases pending on its dockets; and (4) to perform such other duties consistent with his office as the Court shall direct.

(b) The Proctor shall, by requisition upon the Public Printer, have any necessary printing and binding done at the Government Printing Office and authority is conferred upon the Public Printer to do such printing and binding.

(c) The salary of the Proctor shall be $10,000 per annum, payable out of the Treasury in monthly installments, which shall be in full compensation for the services required by law. He shall also be allowed, in the discretion of the Chief Justice, stationary, supplies, travel expenses, equipment, necessary professional and clerical assistance, and miscellaneous expenses appropriate for performing the duties imposed by this section. The expenses in connection with the maintenance of his office shall be paid from the appropriation of the Supreme Court of the United States.

SEC. 5. There is hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

SEC. 6. When used in this Act--

(a) The term "circuit court of appeals" includes the United States Court of Appeals for the District of Columbia; the term "senior circuit judge" includes the chief justice of the United States Court of Appeals for the District of Columbia; and the term "circuit" includes the District of Columbia.

(b) The term "district court" includes the District Court of the District of Columbia but does not include the district court in any Territory or insular possession.

(c) The term "judge" includes Justice and the term "chief justice" shall include the presiding judge of the United States Court of Customs and Patent Appeals.

TITLE II

SEC. 101. Whenever in any court of the United States in any suit or proceeding to which the United States or any agency thereof or any officer or employee thereof, as such officer or employee, is not a party, the constitutionality of any statute of the United States is drawn in question, the court having jurisdiction of the suit or proceeding shall certify such fact to the Attorney General if the court is of opinion that a substantial ground exists for questioning the constitutionality of the statute. The court shall afford the United States an opportunity for presentation of evidence (if evidence is otherwise receivable in such suit or proceeding) and argument. In the suit or proceeding the United States shall, subject to the applicable provisions of law, have the same rights as a party to the extent necessary for a proper presentation of the facts and law relating to the constitutionality of the statute and shall have the right to become a party to such proceeding, case or controversy.

SEC. 102. Whenever any judgment, decree, or order in any suit or proceeding referred to in Section 101 is based in whole or in part upon a decision that any statute of the United States is unconstitutional as therein applied, the United States, irrespective of whether or not it had previously presented evidence or argument under the provisions of Section 101, shall have the same right to appeal therefrom as any party to the suit or proceeding. Within sixty

days after the entry of any such judgment, decree, or order, whether final or interlocutory, the United States may also appeal therefrom directly to the Supreme Court, in which event any appeal or cross-appeal therefrom by any party to the suit or proceeding taken previously or taken within sixty days after notice of the appeal by the United States shall also be or be treated as taken directly to the Supreme Court. Such appeals to the Supreme Court shall, on motion of the United States, be advanced to a speedy hearing. This section shall not confer upon the United States any right of review by the Supreme Court unless a party to the suit or proceeding also takes an appeal.

SEC. 103. Within sixty days after the entry of any judgment, decree, or order referred to in Section 102, the United States, irrespective of whether or not it had previously presented evidence or argument under the provisions of Section 101, may appeal therefrom directly to the Supreme Court. Such appeals will lie if no appeal is taken by any party to the suit or proceeding and such appeals shall, on motion of the United States, be advanced to a speedy hearing. If the United States appeals to the Supreme Court under the provisions of Section 102, but no appeal is taken by any party to the suit or proceeding, the appeal of the United States shall be regarded as an appeal under this section. If this section, or any provision thereof, is held invalid, the remainder of this Act and the other provisions of this section shall not be affected thereby.

SEC. 104. In any suit or proceeding in any court of the United States to which the United States or any agency thereof or any officer or employee thereof, as such officer or employee, is a party, in which the decision is against the constitutionality of any statute of the United States, the United States, within sixty days after the entry of a final or interlocutory judgment, decree, or order, may, in its discretion, in its own name or in the name of such agency, officer, or employee, as the case may be, appeal therefrom directly to the Supreme Court, in which event any appeal or cross-appeal by any party to the suit or proceeding taken previously or taken within sixty days after notice of the appeal by the United States shall also be or be treated as taken directly to the Supreme Court. Such appeals shall, on motion of the United States, be advanced to a speedy hearing. This section shall not apply to any judgment, decree, or order of a district court of the United States which may, under existing provisions of law, be appealed directly to the Supreme Court.

SEC. 105. The Attorney General is authorized by himself or by counsel designated by him, to appear and argue in cases described in Section 101 and to invoke appellate jurisdiction in cases described in Sections 102, 103, 104 and 4.

SEC. 106. As used in this ~~Act~~ Title, the term "court of the United States" means the courts of record of Alaska, Hawaii, and Puerto Rico, the Customs Court, the Court of Customs and Patent Appeals, the Court of Claims, the District Court of the United States for the District of Columbia, any district court of the United States, the United States Court of Appeals for the District of Columbia, any

any circuit court of appeals, and the Supreme Court.

SEC. 107. If any provision of this title, or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of such provisions to other persons or circumstances shall not be affected thereby.

TELEGRAM

file

[7-2-37]
FDRL (RLJ)

The White House
Washington

WX 7-2-35

Memo. for M.H.M.
PK

Senator Robinson this noon introduced a substitute court bill. Possibly the President will be interested in the provision of the bill which refers to the Supreme Court. This provision reads as follows:

"Sec. 1. Section 215 of the Judicial Code of the United States is hereby repealed and reenacted to read as follows:

'Sec. 215. The Supreme Court of the United States shall consist of a Chief Justice and eight associate justices, any six of whom shall constitute a quorum; provided, however, the number of justices may be increased by the appointment of an additional justice in the manner now provided for the appointment of justices, for each justice, including the Chief Justice, who at the time of the nomination has reached the age of seventy five years, but not more than one appointment of an additional justice as herein authorized shall be made in any calendar year, provided that the authority to appoint for any calendar year shall not lapse by reason of the rejection of the nomination, delay in confirmation, inability to nominate during an adjournment of the Senate or withdrawal of the nomination in a succeeding calendar year: And when such additional justice, or justices, shall have been so appointed no vacancy caused by the death, resignation or retirement of a justice (except the Chief Justice) who has reached the age of seventy five years, shall be filled, unless the filling of such vacancy is necessary to maintain at not less than nine the number of justices who have not reached the age of seventy five. The number of appointments so made shall not, at any time, increase the total number of justices by more than two-thirds of the permanent membership of the court. If the number of members of the Supreme Court is in excess of nine not less than two-thirds of the membership shall constitute a quorum. As used in this Section, the term 'justice' shall not include a justice who has retired from regular, active service.' "

Early.

P.P.F.
473
x598

July 6, 1937

MEMORANDUM FOR SENATOR ROBINSON

Dear Joe:

That was a magnificent speech of yours today on the Court Bill.

I enclose for your eyes only, a letter to me from Harry Hopkins with a memorandum attached. Would you be good enough to read it and speak with me about it at your convenience? Incidentally, this involves, to a certain extent, the problem of the unemployment census and I want to talk with you about that also.

3-B mic

F. D. R.

fdr/tmb

Let. from HARRY HOPKINS, 7/1/37, with memo. re unemployment. 264

444-6

O.F. 7.
473

Hyde Park, New York
August 31, 1940

My dear Mrs. Robinson:

Please accept my heartfelt thanks for your very gracious letter of August fifteenth. For all that you say -- and in such generous terms -- concerning my leadership, I am indeed appreciative. I am likewise grateful to you for all of your personal good wishes to Mrs. Roosevelt and to me. Be assured that we heartily reciprocate.

+208-a

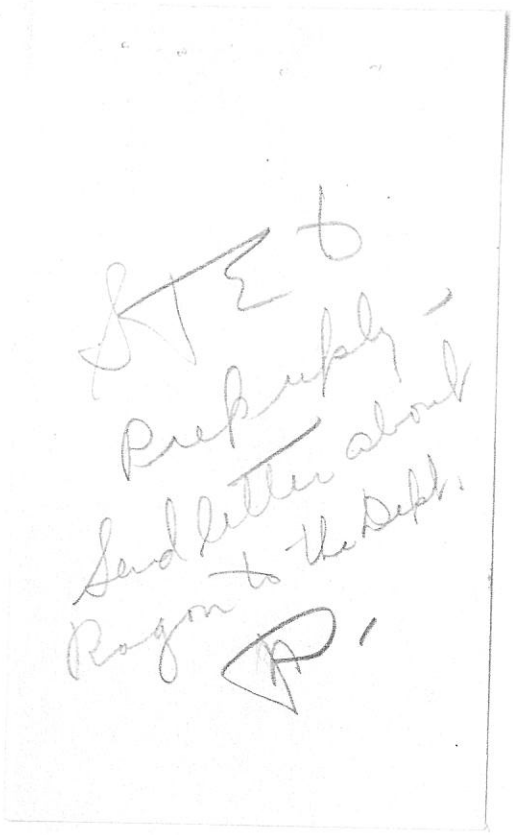
I also desire to acknowledge receipt of your letter advising me of the character and qualifications of Honorable Heartsill Ragon~~X~~ United States District Judge for the Western District of Arkansas, for appointment to the bench of the Circuit Court of Appeals for the Eighth Judicial Circuit. I want you to know that your recommendation of Judge Ragon for this responsible position will be given very careful consideration when the time for making an appointment is imminent.

+209-#

Very sincerely yours,

#

Mrs. Joseph T. Robinson,
Little Rock,
Arkansas.


STET
Prepare reply.
Send letter about
Report to the Dept.

Dear Mr. President:

THE WHITE HOUSE
AUG 19 8 57 AM '40
RECEIVED

Your acceptance of the nomination has pleased your many friends who wish to see your country carry on the broad and humane policies you have so definitely established since you came into Office.

I know that in your own heart you would have preferred to retire to private life after eight strenuous years in the White House and that your acceptance of the nomination was prompted solely from a high sense of duty to your country.

Now as never before, we need an experienced leader and no one knows the needs of our Country better than you.

My best wishes attend you in all your undertakings and I pray for you that you may have continued good health and may happiness and success be your reward.

With cordial greetings and best wishes to you and Mrs. Roosevelt, I am

Sincerely yours
Emilie L Atwood

August 15 1940

August 30, 1940

Respectfully referred to the

Department of Justice.

STEPHEN EARLY
Secretary to the President

Let. to Pres., 8/15/40 from

Mrs. Joseph T. Robinson,
Little Rock,
Arkansas.

Recommends Hon. Heartsill Ragon, U. S. District Judge for the Western District of Ark., to be considered for appointment to the Circuit Court of Appeals for the Eighth District.

(Letter re above sent to Justice - attached letter from Mrs Robinson retained in file)

P.P.F.

473

November 18, 1940

My dear Mrs. Robinson:

I deeply appreciate that nice message from you and Mr. and Mrs. Grady Miller. Mrs. Roosevelt joins me in hearty thanks for the good wishes you extend to us.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Mrs. Joseph T. Robinson,
Little Rock,
Arkansas.

mb

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

SYMBOLS
DL = Day Letter
NT = Overnight Telegram
LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

R. B. WHITE, PRESIDENT — NEWCOMB CARLTON, CHAIRMAN OF THE BOARD — J. C. WILLEVER, FIRST VICE-PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

CGN AA376 35 SC 5 EXTRA=LITTLEROCK ARK

HON FRANKLIN D ROOSEVELT=

WHITE HOUSE WASHDC=

WE REJOICE IN YOUR GREAT VICTORY AND THAT OF THE AMERICAN PEOPLE. OUR AFFECTIONATE REGARDS TO YOU AND MRS ROSSEVELT AND BEST WISHES FOR YOUR CONTINUED GOOD HEALTH AND HAPPINESS=

MRS JOE T ROBINSON MR AND MRS GRADY MILLER.

My Dear Mrs. Robinson

No

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

PPF 473

THE WHITE HOUSE
WASHINGTON

February 4, 1941

MEMORANDUM FOR THE PRESIDENT:

Mrs. Joseph Robinson called me from Little Rock Saturday afternoon. She is very anxious that her brother Grady be given the Senate appointment to finish out the term. She says that Governor Miller? is in Washington and she knows that a suggestion from you to him would be well received. She asks me if I would let her know what you thought.

M. A. L.

Her brother's name?

THE WHITE HOUSE
WASHINGTON

February 7, 1941

MEMORANDUM FOR THE PRESIDENT:

Mrs. Robinson wanted you to give him this suggestion.

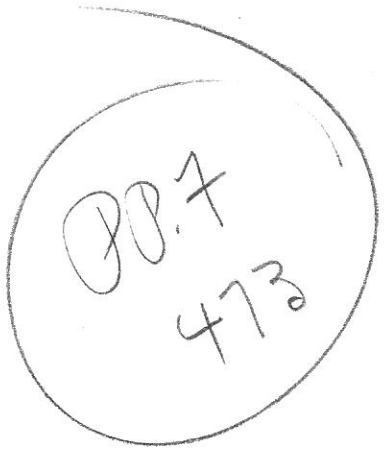
M.A.L.

P.S.
Governor Miller is going to give me a suggestion but he has not as yet—

ROBINSON, Hon. Joe T.
Little Rock, Ark.
11-20-33

The President on the above date wrote to Mr. Robinson stating that he has asked Mr. Farley to take up the matter of Superintendent of Insurance for the District with the two new commissioners.

SEE 51-N



Robinson, Hon. Joseph T.,
U. S. Senate,
Washington, D. C.
March 13,1934, Ack'd.

Sends the President a bass.

SEE P.P.F. 9-R

#

P.P.F. 473

ROBINSON, Hon. Joseph T. (Sen. - Ark.)
April 18, 1934

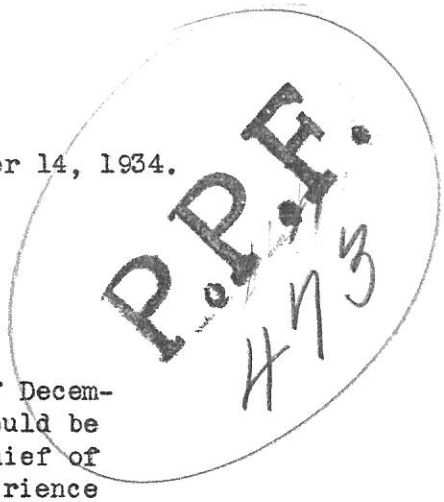
President writes he's sorry about Mr. Robinson's mother-in-law, and sends sympathy. - Will take up the matter of Jeffery with Cordell Hull - Letter from Sen. Robinson, April 12, suggesting appointment of R.E. Jeffery, Newport, Ark., as Minister of Uruguay.

SEE -487-B



C O P Y

December 14, 1934.



My dear Senator:

Before receiving your letter of December eleventh, I had determined that it would be advisable to keep General MacArthur as Chief of Staff in order that his services and experience might be utilized in connection with legislation and bugetary matters engaging the attention of the forthcoming session of Congress.

I want to assure you, however, that I will be glad to keep in mind your recommendation of Major General D. C. Nolan.

With kindest personal regards,

Very sincerely yours,

Honorable Joe T. Robinson,
413 Post Office Building,
Little Rock,
Arkansas.

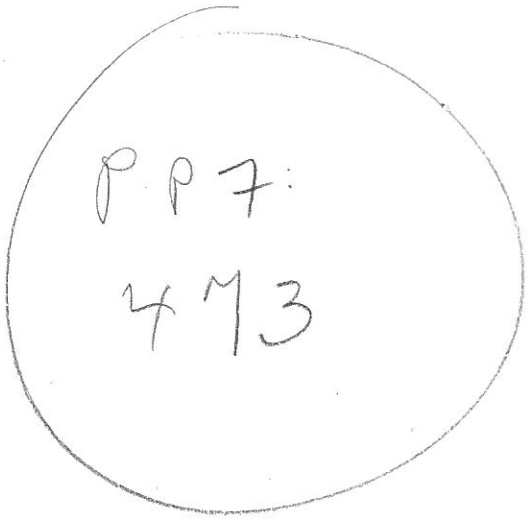
mwd

SEE - 25-T (for first copy)

ROBINSON, MR. & MRS. JOSEPH T.,
Little Rock, Ark.
December 24, 1934.

Extends holiday greetings.

See P.P.F. 1000-R



ROBINSON, HON. JOSEPH T.,
U.S. Senate, Wash., D.C.

Senator Robinson enclosed a letter from Dr. W.T. Lowe, addressed to himself, Mrs. Caraway, Congressman W.J. Driver, Tillman B. Parks, John L. McLellan, Claude A. Fuller, J.E. Miller& D.T. Terry in re Public Utility Concerns in the U.S. and copy of his reply to Dr. Lowe.

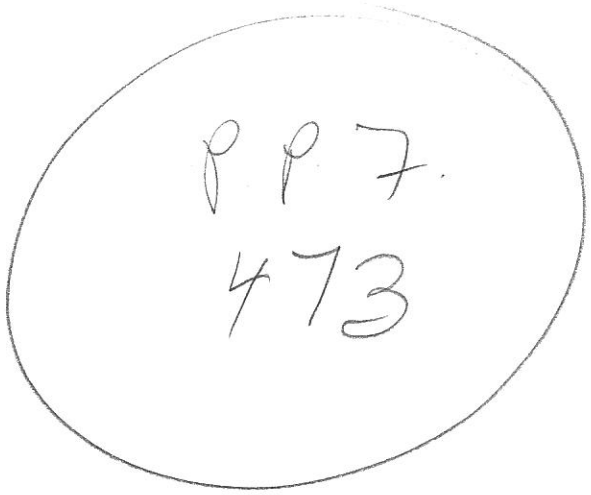
See 293



HON. JOSEPH T. ROBINSON,
U.S. Senate, Wash., D.C.
Jan. 15, 1935. (Ackn.)

On the above date the President acknowledged and thanked Hon. Joe T. Robinson for the ducks which he sent him.

See P.P.F.9-R



C O P Y

January 30, 1935.

PPF 473

Dear Joe:-

Many thanks for your message of birthday greetings.

I want you to know how much I appreciate the splendid fight you have made. Will you be good enough also to convey my personal gratitude to your fifty-one colleagues who also voted for adherence by the United States to the World Court? All of you have kept faith with the Republican and Democratic Party Platforms. More than that; you have done a service for the cause of peace and in doing this you have shown personal and political courage.

As to the thirty-six Senators who placed themselves on record against the principle of a World Court, I am inclined to think that if they ever get to Heaven they will be doing a great deal of apologizing for a very long time -- that is if God is against war -- and I think He is.

Affectionately and sincerely,

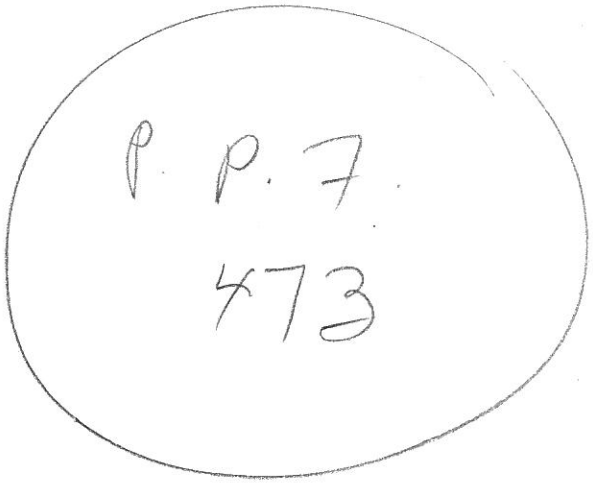
Hon. Joseph T. Robinson,
United States Senate,
Washington, D.C.

SEE - P.P.F. 473 (for first carbon)

ROBINSON, HON. JOSEPH T.,
U.S. Senate,
Wash., D.C.
Feb. 8, 1935. (Ackn.)

On the above date the President p rsonally acknowled ed receipt of the quail sent to him by Senator Robinson.

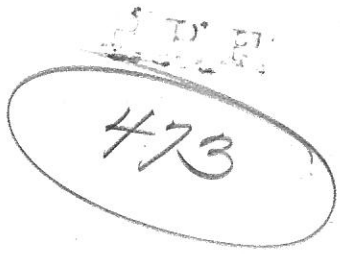
See P.P.F.9-R



FLETCHER, Rep. Duncan U.
Chairman, Banking and Currency Committee.
May 14, 1935

The President wrote him a private long hand letter on the subject of the Banking Bill and requested him to talk with Sen. Joseph T. Robinson or Sen. James F. Byrnes in reference to the matter.

See P.P.F. 1358



MARKHAM, Gen. Edward M.
August 8, 1935.

President referred, by memo., for preparation of reply, for his signature, a telegram from Sen. Joseph T. Robinson, of Aug. 7, re the importance to citizens of Clarendon, Arkansas to have approved the allotment by NEC for $292,000 to strengthen the levee there.--President wrote Sen. Robinson, on Aug. 14, saying that the application of the War Department for the inclusion of this project in the relief program had been approved by the WPA. Said it was also approved informally by the Advisory Committee on Allotments at its meeting on Aug. 6 and was to come before the Committe for formal approval at its next meeting on Aug. 13. President assured him that matter would receive prompt consideration.

P. P. F.

SEE 132

473

INTERIOR, SECRETARY of
September 19, 1935.

We referred for preparation of reply a telegram from Sen. Joseph T. Robinson stating proposed public works project pertaining to Little Rock Water Supply System is of very great importance. Asks that same be acted on soon.--President, on Oct. 2, wrote the Senator that the PWA advised him that an official notification of the approval of this project would be forthcoming in the near future.

P. P. F.

473

SEE 466-B-Miscel.

ROBINSON, Sen. Joseph T.
September 27, 1935.

Wires President urging favorable consideration of application of Greenwood, Arkansas water works project.--President, on Sept. 28, wired the Senator that this project had been approved.

P. P. F.

473

SEE 466-B-Miscel.

ROBINSON, Sen. Joe T.
Oct. 23, 1935

Wires President from S. S. PRESIDENT GRANT, via San Francisco, re Little Rock water project, suggesting original project be carried out, and believes it unnecessary and impractical to require city to duplicate existing distribution system. -- The President wrote Sen. Robinson Nov. 8 that he has asked the officials of the Public Works Administration to investigate question raised by Sen. Robinson concerning Little Rock Water Project. Says original application from City of Little Rock showed that the City had entered into contract with Arkansaw Water Company for sale of water under certain conditions. Explains suggestion that application calling for construction or acquisition of a distribution system as well as for construction of reservoir be submitted.

SE[illegible] - 466-B Miscel.

P.P.F. 473

COPY

February 27, 1936.

Dear Ed:

I have shown the President the extension of remarks by Senator (Joseph) Robinson. He was delighted. You will notice on your memorandum to me that the President, in his own handwriting, has offered a substitute for the caption you suggested. He likes, "Coming Back -- Proof of it".

With kindest regards,

Very sincerely yours,

STEPHEN EARLY
Assistant Secretary to the President.

Colonel Edwin Halsey,
Secretary, United States Senate,
Washington, D. C.

Enclosure: Note from Halsey to Mr. Early, calling attention to enclosed extension of remarks by Senator Robinson, re substantial betterment brought about by Administration -- and suggesting that it be circulated generally in pamphlet form under captain "Prosperity Regained". The President suggests "Coming Back -- Proof of it".

P. P. F.

SEE 180-for first carbon.

473

COPY

April 20, 1936.

PERSONAL

MEMORANDUM FOR

THE SPEAKER
SENATOR JOSEPH T. ROBINSON

Can you get the National Resources Board bill out and put it through? I think it is very important, in order to stop wild raids for Public Works at the next session.

F. D. R.

SEE 1092-for first carbon.

P. P. F.

473

COPY

April 20, 1936.

copy

MEMORANDUM FOR

THE POSTMASTER GENERAL.

I understand Senator Robinson is about to introduce a bill providing for a more extended sale of postal saving stamps and certificates to children.

I realize that this may mean more bookkeeping because of the smaller amounts that would be accepted and also because the age limit of children permitted to make purchases would be reduced. Nevertheless, I think it is a good plan and would encourage savings, and I hope that both the Post Office Department and the Treasury Department will approve.

F. D. R.

Copy to:

The Secretary of the Treasury
Senator (Joseph T.) Robinson.

(copies of above memo. sent as indicated; also copy sent to Mrs. Roosevelt, with which was returned let. to her from Sen. Jos. T. ROBINSON, 4/15/36 to her re the matter, trans. let. from Mrs. Malcolm Gannaway, 2112 Izard St., Little Rock, Ark. urging same.

P. P. F.

SEE 19-D-for first copy.
(Official)

473

COPY

April 30, 1936.

MEMORANDUM FOR

SENATOR (JOSEPH) ROBINSON

I think this will interest you.

F. D. R.

Let. from Secy. Morgenthau, 4/28/36; has noted Pres.'s memo. of 4/20 to PMG re S. 4494 (A Bill to provide for the sale of postal-savings stamps and certificates to children in school and for other purposes.) endorses principles in this bill.

SEE 19-D-for first carbon
(Official)

P. P. F.

473

ROBINSON, Senator Joseph
May 5, 1936.

President, by memo., referred to him a letter from the Postmaster General dated May 2, advising the Post Office Department feels there is considerable merit in movement for more extended sale of postal savings stamps and certificates to children. The Postmaster General endoreses the bill of Senator Robinson. President made certain comments to Senator Robinson re this Bill.

P. P. F.

SEE 19-D (Official)

473

ROBINSON, Hon. Joseph T.
United States Senate
May 1, 1936

The President sent memo to Senator Robinson enumerating some of his objections to the Copeland Flood Control Bill, and stating that Section 3, setting forth conditions of cost of flood control projects, does not conform to regulations of the Mississippi Valley Commission or National Resources Board. Makes recommendations concerning Joint Resolution to replace this Bill.

SEE - 132



The President wrote to the following named Senators on November 21, 1936, telling them how happy he is in their election (or reelection) to the Senate, and stating, "Iam looking forward to our association in Washington and I shall hope to see you soon."

P. P. F. 473

Johnson, Ed. C.	Colorado
Bankhead, John H.	Alabama
Robinson, Joseph T.	Arkansas
Hughes, James H.	Delaware
Pepper, Claude	Florida
Andrews, Charles O.	Florida
Russell, Richard B., Jr,	Georgia
Lewis, J. Hamilton	Illinois
Harring, Clyde L.	Iowa
Gillette, Guy M.	Iowa
Logan, M. M.	Kentucky
Ellender, Allen	Louisiana
Brown, Prentiss M.	Michigan
Harrison, Pat	Mississippi
Lundeen, Ernest	Minnesota
Murray, James E.	Montana
Smathers, W. H.	New Jersey
Hatch, Carl A.	New Mexico
Chavez, Dennis	New Mexico
Bailey, Josiah W.	North Carolina
Lee, Josh	Oklahoma
Green, Theodore F.	Rhode Island
Byrnes, James F.	South Carolina
Bulow, William J.	South Dakota
Bachman, Nathan L.	Tennessee
Sheppard, Morris	Texas
Glass, Carter	Virginia
Neely, M. M.	West Virginia
Schwartz, W. H.	Wyoming

It is indicated that these letters were signed by the President at Port of Spain, Trinidad, Nov. 21, and were transmitted to Mr. Forster by memo of that date.

SEE - PPF 869

February 9, 1937

P.P.F. 473

My dear Joe:

Thank you very much for your letter of February second in the interest of the Honorable Tilman B. Parks, whom you endorse for appointment to the vacancy now existing on the United States Employees Compensation Commission. I do want you to know that your statements in Mr. Parks' behalf will have my earnest consideration.

Very sincerely yours,

Honorable Joe T. Robinson,
United States Senate,
Washington, D. C.

RB/mwd

See 81-A-Parks

ROBINSON, Hon. Joe T.
United States Senate
February 15, 1937

Transmitting to the President Resolution adopted by the Arkansas State Legislature expressing appreciation of the State of Arkansas for the President's visit there June 10, 1936. -- The President replied February 20 that he was much touched by this resolution, and asks that he express his appreciation to the members of the Legislature.

P. P. F.
473

SEE - PPF 3264

ROBINSON, Senator Joseph
Feb. 16, 1937.

President sent him a confidential memorandum transmitting a memorandum addressed to Mrs. Roosevelt from Food and Drug Administration, dated Feb. 13th, from C. W. Crawford, Acting Chief, in which Mr. Crawford encloses a memorandum on S. 5, the Copeland Bill to revise the Federal Food and Drugs Act, which Mr. Crawford understands is to be reported to the Senate on Monday by the Committee on Commerce. The President expressed his views re the Copeland Bill.

SEE 375 (Official File)

P. P. F.

473

AGRICULTURE, The Secretary of
February 26, 1937

The President, by memo, referred to him for his confidential information, letter (copy) from Senator Joe T. Robinson, dated February 19, 1937, regarding Senate Bill No. 5, introduced by Senator Royal S. Copeland, "To prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics,"etc., certain features of which bill were assailed by C. W. Crawford, Acting Chief of the Food and Drug Administration, Department of Agriculture, in memo to the President which was referred to Sen. Robinson on Feb. 16 by the President. Sen. Robinson's original letter retained.

P. P. F.

473

SEE - 375

ags

ROBINSON, Joe T.
United States Senate
Washington, D. C.
3-11-37 (ack.)

Sent the President a bass. Ack. by the President.

See P.P.F. 9-R

PPF 473

rlv

ROBINSON, Senator Joe T.
4-20-37

Pa 7
473

Wrote to the President stating that a number of prominent citizens, including Mr. Hollins N. Randolph and Mr. Ira Nelson Morris, are profoundly concerned in plans to revive interest in War Debts, and he promised to speak to the President on the subject. Said that their thought is that if the subject were well handled it might result in making satisfactory arrangements at least with some of the powers, and he expressed his willingness to discuss this with the President. ----- Attached is the President's Memo for Mr. Jas. Roosevelt, April 22, 1937 re possibility of seeing Senator Robinson at teatime, Sunday afternoon, April 25, and to see if he wants to come alone or if he wants to bring somebody with him.

SEE 212 (Official File)

COPY

June 8, 1936.

MEMORANDUM FOR
SENATOR (JOSEPH) ROBINSON
SENATOR (JOHN H.) BANKHEAD

I think you will both be interested in this report to me from our old friend, Edward G. Lowry. I am assuming that there is little liklihood of action on a Farm Tenant Bill at this session, but I hope that by next January I can have, with your help, a well worked out plan to be taken up early in the next session.

F. D. R.

P.S. Joe - When you have read this, will you sent it on to John (H.) Bankhead and ask him to return it to me? No hurry - a month from now will do.

Let. to President from EDWARD G. LOWRY, Wash. 5/8/36, transmitting report on his trip, through Southern States, tenant farmers, etc.; existing conditions.
Papers to Senator Robinson.

P. P. F.

SEE 1650-for first carbon.

473

Roper, Hon. Daniel C.
Secretary of Commerce
June 9, 1937

Transmitting to Mr. McIntyre copy of his (Roper's) letter of June 5, 1937 to Senator Joseph T. Robinson, re latter's desire to have Commercial Attaché Sam E. Woods appointed Minister to Prague. Attached is copy of Senator Robinson's reply dated June 8. -- Mr. McIntyre was instructed to "Tell this good news to Senators Robinson & Harrison". -- Secretary Roper indicated that he would stand in the way of Mr. Woods' promotion.

SEE - 2725

F. P. F.

473

WATSON, Colonel Edward M.
June 11, 1937

Mr. McIntyre referred to him for suggestions, calling attention to the President's penciled notation: "Mac & Pa Watson to prepare reply," letter addressed to the President June 9, 1937 from Senator Joe. T. Robinson, recommending Colonel Kyle Rucker for appointment as Judge Advocate General, which appointment will be due this fall. -- In accordance with draft submitted by Col. Watson on June 22, the President wrote Senator Robinson on June 23 that in October, 1935, he made it a policy, from which he has not deviated, to appoint chiefs of branches only from officers having four years to serve. This action was at recommendation of the War Department and for the good of the service. Says Col. Rucker will have only one year and two months to serve on November 30, when this appointment is filled. Says the Chief of Staff has confidentially informed him that Col. Rucker is physically unfit to fill position mentioned. Regrets not being able to report more favorably on Col. Rucker's chances for this appointment.

P. P. F.

SEE - 25-V

473

CARAWAY, Senator Hattie W.
Dec. 17,1937

Writes to the President enclosing an article by Mr. H.L. Nunn, Pres., Nunn-Bush Shoe Co., which appeared in the Milwaukee Journal on Dec. 5. -- On Dec. 20, the President replied thanking for the article about wages and hours of work. Says it all boils down to one or two comparatively simple factors. Says the buying power is the annual income of the family and in this connection, as Joe Robinson realized, the annual income of workers in the South is so low that they have little purchasing power, little to pay in the way of taxes and that therefore, education and sanitation have greatly suffered in the South. Discusses this in regard to the legislation increasing wages and lowering hours of work.

SEE - P.P.F. 5456

P. P. F.

473

Speech Material
filed 8-30-39

Note to the President from Edwin A. Halsey, Secretary, U.S. Senate, dated Sept. 15, 1938, enclosing speeches by Senators Joseph T. Robinson and Alben W. Barkley, which may give him (the President) a thought for his forthcoming speech. These speeches are in regard to the country's economic difficulties.

See P.P.F. 1820

act

P.P.F. 473

ROBINSON, Hon. Joseph T.
~~June 26, 1935~~

The President wrote him on the above date, in connection with the Copeland-Bland Bill, indicating that it has all sorts of provisions about not only cash subsidies, but also further loans. Expressed the hope that he (President) will have a chance to go over the whole subject and get an infinitely better bill drafted, before it comes up in the Senate. Informed him that he desires to have a conference of House and Senate and get up a very much simplified, practical bill which will give us a merchant marine on our own terms, and not on the terms of the ship companies or ship builders.

P.P.F. 473

SEE - 1660

ROOT, Elihu
N.Y.C.
Jan. 28,1935

Writes President he's afraid the World Court protocol without the Johnson Resolution is up against the same thing that has killed every general arbitration treaty since Cleveland's time. Discusses this subject. President replied Feb. 9th, thanking for letter, saying that at the outset, early in January, when they all decided to take up the Resolution, Senator Jos. T. Robinson, Sen. Key Pittman and himself expected defeat by a close margin but decided that it was better to undertake ratification then rather than to wait until the hurly-burly of the closing days. Despite final outcome of World Court vote, thinks Sen. Robinson made a courageous and intelligent fight. President expresses a wish to see him occasionally, saying he has heard of his fine spirit.

SEE - P.P.F. 2201



WORKS PROGRESS ADMINISTRATION, ADMINISTRATOR of
July 17, 1935.

The President, by memo., sent to him for preparation of reply a telegram from Sen. Joseph T. Robinson, of July 17, 1935, suggesting the establishment of a rural road program under work relief program.--President, on July 23, replied to the Senator saying he was advised by the Works Progress Administrator that such a program was being followed in a comprehensive manner under his administration. President said he agreed with the Senator that this type of work was peculiarly adapted to Rural Roads and that it offered an opportunity for highly useful employment under the Works Relief Program.

P. P. F.

SEE 129

473

COX, Hon. James M.
Atlanta, Ga.,
April 6, 1943.

Writes the President enclosing a news clipping dealing with the Southern Insurrection. States that sometime ago a man (who is going to write a book on Presidential Campaigns) asked him for any interesting pictures of the affair of 1920. States he found a negative in the Dayton office which he does not recall ever seeing before. This is a picture of the President and he is sending the President a copy. States that he also has come across a picture of Joe Robinson. Comments very favorably upon General Arnold N. Krogstad, who he says has been doing a swell job.--The President wrote Mr. Cox on April 10th thanking him for his letter. The President commented upon the picture saying that he thought that he and Mr. Cox were well preserved. The President said he was glad to know about General Arnold N. Krogstad and hoped to have a chance to see him one of these days. The President said he hoped to Heaven that our politics will be shortly rid of their pettiness. The President said that sometimes he got awfully discouraged when he saw what was going on on the Hill. The President said that neither the Democrats nor the Republicans have fighting leadership up there. The President said, however, that he still believed in representative democracy and that he should be delighted to see the photo of Joe Robinson.

SEE P.P.F. 53
AS

P.P.F.
473

BROWN, Captain Wilson - Naval Aide to President,
March 17, 1936

Writes Miss LeHand asking her to tell the President that both Admiral Standley and Admiral Andrews are opposed to the proposed legislation in behalf of Captain Frank R. McCrary, USN, because they feel it would be a very harmful precedent. - Attaches copies of Private Relief Bill No. 487, approved March 2,1929, in behalf of Captain Walter R. Gherardi,USN, and a H.R. Report. -- On April 13, the President referred to Captain for draft reply, a letter written Mr. McIntyre from Senator Joe T. Robinson on April 6, asking whether a bill he would wish to introduce in behalf of Captain McCrary, is in line with the bill approved March 2,1929 in the case of Captain Gherardi. Encloses two memos. - - Captain Brown replied on April 14, enclosing draft, also a memo from Adolphus Andrews, Chief, Bureau of Navigation, disapproving this legislation. - The President wrote Senator Robinson on April 14, quoting the memo of Admiral Andrews.

SEE - 2079 (Official)



WAR, The Secretary of
May 22, 1936

Mr. McIntyre referred to him for draft of reply, letter from Senator Joe T. Robinson, to the President May 20, 1936, endorsing Brigadier General Alfred T. Smith for promotion to grade of Major General. -- Draft submitted by the Acting Secretary of War, May 28, and accordingly President wrote Sen. Robinson that he has taken this matter up with the Secretary of War, who assures him that Gen. Smith's record will receive very careful consideration in this connection.

SEE - 2174



AGRICULTURE, The Sec. of
May 9, 1939

Mr. Early referred for draft of a reply, letter of May 6 to Mr. Early from Ray S. Gibson, Associate Attorney, U.S. Dept. of Agriculture, Fort Worth, Texas, who says he is writing at suggestion of Mrs. Joe T. Robinson, and wants reinstatement with Agriculture. -- Sec. Wallace replied May 16, submitting draft. --- On May 18, Mr. Early wrote to Mr. Gibson that Mr. C.B. Wilson was the choice to be retained. Discusses this matter in detail. Regrets that Agriculture Dept. has found it necessary to dispense with his services.

SEE - 3670 (Official File)

P. P. F.

