

to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. BLOOM: Joint resolution (H. J. Res. 139) authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. LUECKE of Michigan: Joint resolution (H. J. Res. 140) authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; 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. DEMPSEY: A bill (H. R. 3425) providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles; to the Committee on Irrigation and Reclamation.

By Mr. BLOOM: A bill (H. R. 3426) for the relief of Rose McGirr; to the Committee on Claims.

Also, a bill (H. R. 3427) for the relief of F. A. Brady, Inc.; to the Committee on War Claims.

Also, a bill (H. R. 3428) for the relief of Pierre Pallamary; to the Committee on Military Affairs.

Also, a bill (H. R. 3429) granting an increase of pension to Martha J. Constant; to the Committee on Invalid Pensions.

By Mr. BURDICK: A bill (H. R. 3430) for the relief of Robert Fix, Clara Fix Nichols, Phillip Fix, and Gertrude Fix Dalton; to the Committee on Claims.

By Mr. COLE of New York: A bill (H. R. 3431) granting an increase of pension to Elmira M. Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3432) granting an increase of pension to Emma S. Dolaway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3433) granting an increase of pension to Emma J. Campbell; to the Committee on Pensions.

Also, a bill (H. R. 3434) granting an increase of pension to C. Cordelia Strong; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3435) granting a pension to Sarah J. Clarkson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3436) granting an increase of pension to Huldah Pedrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3437) granting an increase of pension to Mary G. Van Brunt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3438) granting an increase of pension to Mary B. Norwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3439) granting an increase of pension to Mary A. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3440) granting an increase of pension to Ella J. Winegar; to the Committee on Invalid Pensions.

By Mr. CLUETT: A bill (H. R. 3441) granting a pension to John Charles Inglee; to the Committee on Pensions.

By Mr. FERGUSON: A bill (H. R. 3442) granting a pension to C. R. McGill; to the Committee on Pensions.

By Mr. GAMBRILL: A bill (H. R. 3443) for the relief of the leader of the Naval Academy Band; to the Committee on Naval Affairs.

By Mr. FITZGERALD: A bill (H. R. 3444) for the relief of James J. Smith; to the Committee on Naval Affairs.

By Mr. JENKINS of Ohio: A bill (H. R. 3445) extending the benefits of the Emergency Officers' Retirement Act to Charles Stanley Mechem; to the Committee on Military Affairs.

Also, a bill (H. R. 3446) granting an increase of pension to California Farmer; to the Committee on Invalid Pensions.

By Mr. LUECKE of Michigan: A bill (H. R. 3447) granting a pension to Ruth Iola Goulette Fridham; to the Committee on Pensions.

By Mr. McLAUGHLIN: A bill (H. R. 3448) granting an increase of pension to Esther J. Carpenter; to the Committee on Pensions.

By Mr. PATTERSON: A bill (H. R. 3449) granting a pension to Mary J. Whistler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3450) granting a pension to Olive Erwin; to the Committee on Pensions.

Also, a bill (H. R. 3451) for the relief of F. M. Loeffler; to the Committee on Claims.

Also, a bill (H. R. 3452) granting a pension to Eliza P. Cupp; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 3453) granting a pension to Tandy Clark; to the Committee on Pensions.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 3454) authorizing the President of the United States to present in the name of Congress a medal of honor to Sara Cunningham Engert; to the Committee on Foreign Affairs.

By Mr. SPENCE: A bill (H. R. 3455) for the relief of John Joseph McCarry, Jr.; to the Committee on Naval Affairs.

By Mr. SCHAEFER of Illinois: A bill (H. R. 3456) for the relief of G. L. Tarlton; to the Committee on Claims.

By Mr. SIROVICH: A bill (H. R. 3457) for the relief of Joseph John Darbey; to the Committee on Naval Affairs.

By Mr. TAYLOR of Tennessee: A bill (H. R. 3458) granting a pension to Annie McBillingsley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3459) granting an increase of pension to Harvey E. Rogers; to the Committee on Pensions.

By Mr. THOM: A bill (H. R. 3460) granting a pension to Thomas M. Teeters; to the Committee on Invalid Pensions.

By Mr. TOLAN: A bill (H. R. 3461) for the relief of Mary G. Person; to the Committee on War Claims.

By Mr. WITHROW: A bill (H. R. 3462) to amend and correct the military record of Albert Kaman; to the Committee on Military Affairs.

Also, a bill (H. R. 3463) for the relief of Marcus Lee; to the Committee on Naval Affairs.

SENATE

FRIDAY, JANUARY 22, 1937

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

Almighty God, whose wondrous name is Love, we bow before Thy presence at this morning hour in the spirit of deep humility and tender penitence, for Thou dwellest with him alone who is lowly and contrite of heart.

Increase our zeal as Thou dost light the flame upon the altar of our lives; forgive, we pray, the poverty of our petitions and hearken only to the crying of our need. Shed light upon all darkened places of the earth, upon all problems of our minds; dispel the night of dark and fear, and for the eyes that wait may morning dawn.

So let us ever work with Thee in watchfulness and prayer, hearing betimes the Master's voice—

I did make them all—
All things and man, heaven's glories and the dust,
Who with Me works shall quicken death itself;
Without Me—dust is dust.

We ask it in His name. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar days Tuesday, January 19, and Wednesday, January 20, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haligan, one of its reading clerks, announced that the House

had passed without amendment the bill (S. 416) to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised.

PRINTING OF THE PRESIDENT'S INAUGURAL ADDRESS (S. DOC. NO. 10)

Mr. ROBINSON. I ask for the adoption of the order which I send to the desk.

The VICE PRESIDENT. The order will be read.

The order was read, considered by unanimous consent, and agreed to, as follows:

Ordered, That the inaugural address of the President of the United States delivered on Wednesday, January 20, 1937, be printed as a Senate document.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Chavez	Holt	Overton
Andrews	Clark	Hughes	Pepper
Ashurst	Connally	Johnson, Colo.	Pittman
Austin	Copeland	King	Pope
Bachman	Davis	La Follette	Radcliffe
Balley	Dieterich	Lee	Reynolds
Bankhead	Duffy	Lewis	Robinson
Barkley	Ellender	Lodge	Russell
Bilbo	Frazier	Logan	Schwartz
Black	George	Loneragan	Schwellenbach
Bone	Gerry	Lundeen	Sheppard
Borah	Gibson	McAdoo	Smith
Bridges	Gillette	McCarran	Thomas, Utah
Brown, Mich.	Glass	McGill	Truman
Brown, N. H.	Green	McNary	Tydings
Bulkley	Guffey	Minton	Vandenberg
Bulow	Hale	Moore	Van Nuys
Burke	Harrison	Murray	Walsh
Byrd	Hatch	Neely	White
Byrnes	Hayden	Norris	
Capper	Herring	Nye	
Caraway	Hitchcock	O'Mahoney	

Mr. LEWIS. I announce the absence of the Senator from Ohio [Mr. DONAHEY], caused by illness, and also the absence of the Senator from Connecticut [Mr. MALONEY], the Senator from Oklahoma [Mr. THOMAS], the Senator from New York [Mr. WAGNER], and the Senator from Montana [Mr. WHEELER], who are unavoidably detained from the Senate.

Mr. BACHMAN. I regret to announce that my colleague the senior Senator from Tennessee [Mr. McKELLAR] is absent because of the death late last night of his brother.

Mr. McNARY. I announce that the senior Senator from Minnesota [Mr. SHIPSTEAD] and my colleague the junior Senator from Oregon [Mr. STEWER] are absent because of illness, and that the Senator from Delaware [Mr. TOWNSEND] is necessarily detained from the Senate.

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

FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1935, 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 22, 1937.

[Enclosure: Report concerning retirement and disability fund, Foreign Service.]

REPORT ON APPROPRIATIONS FOR FOREST ROADS AND TRAILS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report on the appropriations for forest roads and

trails for the fiscal year ended June 30, 1936, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

EMPLOYEES OF THE FEDERAL POWER COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Power Commission, transmitting, pursuant to law, a statement showing the names, titles, and compensation of members and employees of the Federal Power Commission as of June 30, 1936, which, with the accompanying paper, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

Mr. NYE. Mr. President, I present, for reference to the Committee on Appropriations, a concurrent resolution adopted by the Legislature of the State of North Dakota having to do with the meeting of emergency conditions prevailing in the drought area, and also a concurrent resolution of the Legislature of North Dakota having to do with the extension of credit for seeds and help in the planting of crops in the drought area.

The VICE PRESIDENT. The concurrent resolutions will be received and referred, as requested by the Senator from North Dakota.

The concurrent resolutions were referred to the Committee on Appropriations, as follows:

Senate Concurrent Resolution A

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring)—

Whereas a very serious emergency exists, due to a total crop failure in more than two-thirds of the counties of the State in 1936, which left our farmers entirely without feeds, both grains and hay, to care for their livestock needs, and which made it necessary for them to dispose of all surplus livestock except a few milk cows, brood sows, poultry, and work horses; and

Whereas all the farmers in the early fall of 1936 were lead to believe that emergency feed loans would be made available to them by the Resettlement Administration or by other Federal relief agencies to provide feed for their subsistence and foundation stock; and

Whereas hundreds of farmers did make application to the Resettlement Administration for such emergency feed loans; and

Whereas due to the exhaustion of funds made available to the Resettlement Administration by the Congress of the United States for such emergency relief purposes, further grants for feed loans have not been made, which fact has created conditions among our farmers that are intolerable and unbearable in that large numbers of subsistence and foundation livestock are in dire danger of complete destruction by starvation; and

Whereas the farmers' feed supplies on hundreds of farms are now entirely exhausted; and

Whereas severe cold weather and blizzards which have raged across our prairies the last 2 weeks have seriously aggravated the situation; and

Whereas our farmers, due to a series of crop failures and depressed prices, are entirely without means to care for their livestock needs; and

Whereas due to the general depression and nonpayment of taxes, our State and local governments are unable to cope with the situation; and

Whereas there must be some form of immediate aid given these farmers to assist them to feed the remaining stock they have, and if this is not done they will lose what stock they have left, and they will not be able to carry on when spring comes and remain self-supporting, but instead will be thrown on relief to a greater extent than the immediate assistance that should be given them at this time; Now, therefore, be it

Resolved by the Senate of the State of North Dakota (the house of representatives concurring), That we call to the attention of our Representatives in Congress, the Secretary of Agriculture, the Resettlement Administration, and the Federal Relief Administration the serious emergency now existing in our State, and urge upon the President and the Congress to make immediately available funds to meet this emergency condition either by appropriation by Congress or by the issuance of such Executive order as may be necessary to obtain for our farmers the feed necessary to save their livestock and carry them through the winter months; be it further

Resolved, That the secretary of state be instructed to forward copies of this resolution to our Senators and Representatives in Congress, the Secretary of Agriculture, the Resettlement Administration, and the Federal Relief Administration, all in Washington, D. C.

House Concurrent Resolution A

Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring)—

Whereas during the past years the Federal Government has made loans to the farmers of this State to aid them in the pur-

chase of seed with which to plant their crops, and has taken security for such loans in the form of notes secured by crop mortgages; and

Whereas by reason of the continued drought conditions existing in this State it has been absolutely impossible for our farmers to liquidate but a very small portion, if any, of such indebtedness; and

Whereas it will be necessary for our farmers to receive further aid from the Federal Government during the year 1937 to enable them to purchase and obtain the necessary seed to plant their crops: Now, therefore, be it

Resolved by the House of Representatives of the State of North Dakota (the senate concurring), That we respectfully urge the President of the United States of America to at once make such Executive order as may be necessary to enable the farmers of the drought areas of the United States to obtain credit for seed or seed in kind for the planting of their crops during the year 1937, and that such seed as may be held by Government agencies be made available for sale and distribution at once; be it further

Resolved, That our Senators and Representatives in Congress be urged to cooperate with the President and Government agencies in every possible way necessary to bring about the distribution of seed to distressed farmers in the drought areas in ample time for use at the commencement of the planting season; be it further

Resolved, That copies of this resolution be forwarded immediately to the President of the United States and to each Senator and Representative of the State of North Dakota in Congress.

Mr. NYE. I also present another concurrent resolution adopted by the Legislature of North Dakota, for reference to the Committee on Agriculture and Forestry, favoring a continued Federal program to combat Bang's disease.

The VICE PRESIDENT. The concurrent resolution will be received and referred, as requested by the Senator from North Dakota.

The concurrent resolution was referred to the Committee on Agriculture and Forestry, as follows:

Senate Concurrent Resolution B

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring therein)—

Whereas the Federal program designed to combat Bang's disease in cattle in North Dakota has resulted in greatly reducing the prevalence of said disease, and has proven otherwise extremely beneficial to the cattle-breeding and dairy industries in the State: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the Congress of the United States be, and is hereby, earnestly requested to continue the Federal appropriations for the control of Bang's disease; and be it further

Resolved, That copies of this resolution be transmitted by the secretary of state to the President of the United States, the Secretary of Agriculture, the Chief of the Bureau of Animal Industry, and to each Member of Congress from North Dakota.

Mr. COPELAND presented petitions, numerous signed, of sundry citizens of East Aurora and Gloversville, in the State of New York, praying for the enactment of neutrality legislation laying mandatory embargoes on the shipment of arms and other munitions of war, which were referred to the Committee on Foreign Relations.

Mr. WALSH presented a resolution adopted by the Sodality Union, of Washington, D. C., protesting against the use of books or literature in the public schools of the District of Columbia teaching communism, and favoring the adoption by the Board of Education of the District of only such books as will expose the dangerous and destructive effects of communism on the Republic, which was referred to the Committee on the District of Columbia.

Mr. CAPPER presented a resolution adopted by the Chamber of Commerce of Kansas City, Kans., protesting against the enactment of legislation providing for a 6-hour work-day for railroad employees, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Home Missionary Society of the Kansas Avenue Methodist Episcopal Church, of Topeka, Kans., favoring the enactment of legislation to abolish the compulsory block booking of motion-picture films, which was referred to the Committee on Interstate Commerce.

TAX ON CORPORATION SURPLUSES

Mr. DAVIS. Mr. President, I submit a letter received by me today from Mr. D. Robert Yarnall, of Chestnut Hill, Pa., which I request be printed in the RECORD and referred to the Committee on Finance. The letter is brief. It expresses, in

precise language, how a tax on surpluses of a modest corporation may prove to be an obstacle in the path of expansion.

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

CHESTNUT HILL, PA., January 21, 1937.

Senator JAMES J. DAVIS,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: I am writing on behalf of our manufacturing establishment which employs, including office force and salesmen, about 125 people. We have a business which has been growing conservatively for 25 years, manufacturing special valves and steam specialties.

We have never made a large profit but have been fairly consistent in our growth. Our men have received a little more than the prevailing wage in this district, and we have seen to it that they have satisfactory working conditions. We are now horrified by the increasing taxation which is placed upon us by the State and by the Government at Washington.

It so happens that our business is subject to extreme fluctuations between prosperous times and depressed times. If we cannot lay up any reserve in dull times and cannot lay up enough reserve in good times, we are prevented from the development of our business in a sound way.

At the present time we need to add about 20 percent more floor space to our present manufacturing facilities. As our surplus cash is going into taxes we do not have money available for these necessary extensions.

This is a frank statement to you of our situation without any political bias whatsoever. We need sympathetic treatment by you of our tax situation in Washington.

Yours faithfully,

YARNALL-WARING Co.,
D. ROBERT YARNALL.

REPORT OF THE COMMITTEE ON MILITARY AFFAIRS

Mr. NYE, from the Committee on Military Affairs, to which was referred the bill (S. 368) to amend the act of May 25, 1933 (48 Stat. 73), reported it without amendment and submitted a report (No. 9) thereon.

REPORTS FROM COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably without amendment Senate Resolutions 59, 62, 63, and 64, and ask unanimous consent for their immediate consideration.

The VICE PRESIDENT. Is there objection?

HEARINGS BEFORE THE COMMITTEE ON TERRITORIES AND INSULAR AFFAIRS

There being no objection, the resolution (S. Res. 59), submitted by Mr. TYDINGS on the 12th instant, was read, considered, and agreed to, as follows:

Resolved, That the Committee on Territories and Insular Affairs, or any subcommittee thereof, is authorized during the Seventy-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON PUBLIC LANDS AND SURVEYS

The resolution (S. Res. 62), submitted by Mr. ADAMS on the 16th instant, was read, considered, and agreed to, as follows:

Resolved, That the Committee on Public Lands and Surveys, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The resolution (S. Res. 63), submitted by Mr. LEWIS on the 19th instant, was read, considered, and agreed to, as follows:

Resolved, That the Committee on Expenditures in the Executive Departments, or any subcommittee thereof, is hereby authorized during the Seventy-fifth Congress to send for persons, books, and

papers, to administer oaths, and employ a stenographer at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON AGRICULTURE AND FORESTRY

The resolution (S. Res. 64), submitted by Mr. SMITH on the 19th instant, was read, considered, and agreed to, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any subcommittee thereof, is hereby authorized during the Seventy-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during any sessions or recesses of the Senate.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. ROBINSON:

A bill (S. 974) to create the Capital Auditorium Commission; to the Committee on Public Buildings and Grounds.

A bill (S. 975) to amend the act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, and for other purposes (with accompanying papers); to the Committee on Military Affairs.

By Mr. PITTMAN:

A bill (S. 976) relating to labor preferences in connection with certain public-works projects; to the Committee on Public Lands and Surveys.

By Mr. KING:

A bill (S. 977) to provide alternative methods of enforcement of orders, rules, and regulations of the Joint Board and of the Public Utilities Commission of the District of Columbia; and

A bill (S. 978) to extend the provisions of certain laws to the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 979) to amend the Revenue Act of 1936 with respect to the surtax on undistributed profits; to the Committee on Finance.

By Mr. MCGILL:

A bill (S. 980) granting a pension to Beesie Kirkman;

A bill (S. 981) granting a pension to Josephine Morton; and

A bill (S. 982) granting a pension to Sarah E. Tronjo; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 983) to create a United States Civil Service Board of Appeals; to the Committee on Civil Service.

A bill (S. 984) to amend the World War Adjusted Compensation Act; to the Committee on Finance.

A bill (S. 985) granting a pension to Minnie O. Draper;

A bill (S. 986) granting a pension to Lottie Flint; and

A bill (S. 987) granting an increase of pension to Nancy J. Walker; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 988) to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes", approved March 3, 1927, as amended; to the Committee on Commerce.

A bill (S. 989) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Clarence Quinton Pair; to the Committee on the District of Columbia.

A bill (S. 990) relating to the stay of deportation of certain aliens; to the Committee on Immigration.

A bill (S. 991) granting an increase of pension to Helen K. Snowden; to the Committee on Pensions.

(By request.) A bill (S. 992) to make electricians licensed officers after an examination; to the Committee on Commerce.

(By request.) A bill (S. 993) for the relief of Chazkiel (or Charles) Lewkowski; to the Committee on Immigration.

By Mr. HAYDEN:

A bill (S. 994) to provide for the appointment of counsel to represent indigent Indians in criminal cases before the Federal courts; to the Committee on Indian Affairs.

By Mr. HARRISON:

A bill (S. 995) for the relief of Hester Robinson; to the Committee on Claims.

By Mr. BURKE:

A bill (S. 996) to further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa; and

A bill (S. 997) to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa; to the Committee on Commerce.

By Mr. FRAZIER:

A bill (S. 998) for the relief of Robert Fix, Clara Fix Nichols, Philip Fix, and Gertrude Fix Dalton; to the Committee on Indian Affairs.

By Mr. BARKLEY:

A bill (S. 999) granting a pension to Frank House;

A bill (S. 1000) granting a pension to Viola Compton;

A bill (S. 1001) granting a pension to Fieldon Adkins;

A bill (S. 1002) granting a pension to Sarah Jane Lewis Langdon;

A bill (S. 1003) granting a pension to Lucinda Van Norsdel;

A bill (S. 1004) granting a pension to Gertrude Maurer;

A bill (S. 1005) granting a pension to John R. Sparks;

A bill (S. 1006) granting a pension to Nancy V. Shipley;

A bill (S. 1007) granting a pension to Delia England;

A bill (S. 1008) granting a pension to Mary Shelton;

A bill (S. 1009) granting a pension to Juriah Hyden;

A bill (S. 1010) granting a pension to Minnie Harrison;

A bill (S. 1011) granting a pension to George W. Gardner;

A bill (S. 1012) granting a pension to Anna Krebs;

A bill (S. 1013) granting a pension to Lucretia Woods;

A bill (S. 1014) granting a pension to Maggie Wilson;

A bill (S. 1015) granting a pension to Margaret Moore;

A bill (S. 1016) granting a pension to Mary Curry;

A bill (S. 1017) granting a pension to John C. Hounshell;

A bill (S. 1018) granting a pension to Dora Short;

A bill (S. 1019) granting a pension to Aleck Camlin;

A bill (S. 1020) granting a pension to Wiley Roberts;

A bill (S. 1021) granting a pension to John Winn;

A bill (S. 1022) granting a pension to Lydia Ann Hollingsworth;

A bill (S. 1023) granting a pension to Nancy C. Buck;

A bill (S. 1024) granting a pension to Levi Sawyer;

A bill (S. 1025) granting a pension to Gertrude Biggs;

A bill (S. 1026) granting a pension to Daniel Wilson;

A bill (S. 1027) granting a pension to Mattie Sebastian;

A bill (S. 1028) granting a pension to Sam H. Hadley;

A bill (S. 1029) granting a pension to Ellanor Green;

A bill (S. 1030) granting a pension to Ella Noe;

A bill (S. 1031) granting a pension to John C. Bishop;

A bill (S. 1032) granting a pension to Harry L. Cox;

A bill (S. 1033) granting a pension to William M. Graham;

A bill (S. 1034) granting a pension to Allen Nantz;

A bill (S. 1035) for the relief of Homer N. Horine; and

A bill (S. 1036) granting a pension to Elizabeth M. Runnels; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 1037) for the relief of H. L. Roberts & Co.; and

A bill (S. 1038) for the relief of Victor M. Ruiz C and Luz Elena Robles (with accompanying papers); to the Committee on Claims.

A bill (S. 1039) to authorize the appointment of Sam Alexander as a warrant officer, United States Army; and

A bill (S. 1040) placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes; to the Committee on Military Affairs.

A bill (S. 1041) for the relief of Lee Grant McIntyre; to the Committee on Naval Affairs.

By Mr. HATCH and Mr. LEE:

A bill (S. 1042) for the relief of A. C. Williams; and

A bill (S. 1043) for the relief of A. C. Williams; to the Committee on Claims.

By Mr. HATCH and Mr. CHAVEZ:

A bill (S. 1044) for the relief of Thomas W. Seay; to the Committee on Claims.

By Mr. BULOW:

A bill (S. 1045) for the relief of George C. Widlon; to the Committee on Claims.

A bill (S. 1046) for the relief of Harold Dukelow; to the Committee on Military Affairs.

A bill (S. 1047) to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities, to charge for the use thereof, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. SCHWELLENBACH:

A bill (S. 1048) for the relief of Alexander E. Kovner; to the Committee on Claims.

A bill (S. 1049) authorizing the appointment and retirement of Frederick Buchanan Rosenbaum as a first lieutenant, United States Army; to the Committee on Military Affairs.

By Mr. WALSH:

A bill (S. 1050) for the relief of the estate of Catherine Harkins, deceased; to the Committee on Claims.

A bill (S. 1051) to expedite the dispatch of vessels from certain ports of call; to the Committee on Commerce.

By Mr. BANKHEAD:

A bill (S. 1052) to provide for the further development of cooperative agricultural extension work; to the Committee on Agriculture and Forestry.

By Mr. SMITH:

A bill (S. 1053) to provide for loans to farmers for crop production and harvesting during the year 1937, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. McNARY:

A bill (S. 1054) to facilitate the use and occupancy of national-forest lands for purpose of residence, recreation, education, industry, and commerce; and

A bill (S. 1055) to authorize an extension of exchange authority and addition of public lands to the Willamette National Forest in the State of Oregon; to the Committee on Agriculture and Forestry.

A bill (S. 1056) for the relief of Dr. R. C. Field;

A bill (S. 1057) for the relief of Joseph A. Ganong; and

A bill (S. 1058) for the relief of W. G. Wertz; to the Committee on Claims.

A bill (S. 1059) for the relief of Emil Zumbrunn;

A bill (S. 1060) to authorize loans for the construction of recreational housing accommodations in national parks and national forests; to the Committee on Finance.

A bill (S. 1061) for the relief of Herman Edward Rohwer; to the Committee on Naval Affairs.

A bill (S. 1062) to further extend the time for the payment of purchase money on homesteads; and

A bill (S. 1063) to amend section 3 of the act of July 13, 1926 (44 Stat. 915), entitled "An act for the relief of certain counties in the States of Oregon and Washington, within whose boundaries the revested Oregon & California Railroad Co. grant lands are located"; to the Committee on Public Lands and Surveys.

By Mr. BORAH:

A bill (S. 1064) granting an increase of pension to Salathiel G. Leach; and

A bill (S. 1065) granting an increase of pension to Phoebe Lee Parker; to the Committee on Pensions.

By Mr. LUNDEEN (for Mr. SHIPSTEAD):

A bill (S. 1066) granting an annuity to Theresa E. Thoreson; to the Committee on Civil Service.

A bill (S. 1067) for the relief of Asa J. Hunter; and

A bill (S. 1068) for the relief of Earl W. Thomas; to the Committee on Claims.

A bill (S. 1069) granting an increase in retired pay to Frank E. Monville; to the Committee on Military Affairs.

A bill (S. 1070) for the relief of Gilbert Donald Thomas; to the Committee on Naval Affairs.

A bill (S. 1071) granting a pension to Matilda Davison;

A bill (S. 1072) granting a pension to Mabel Kenney;

A bill (S. 1073) granting a pension to Ida S. Nolterieke; and

A bill (S. 1074) granting a pension to Josie Lewis (with accompanying papers); to the Committee on Pensions.

A bill (S. 1075) to establish the Pipestone Indian Shrine in the State of Minnesota; and

A bill (S. 1076) to provide for the payment of certain indebtedness on lands acquired by the United States; to the Committee on Public Lands and Surveys.

(Mr. BARKLEY (for Mr. WHEELER) introduced Senate bill 1077, which was referred to the Committee on Interstate Commerce, and appears under a separate heading.)

By Mr. COPELAND:

A bill (S. 1078) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia", and for other purposes; to the Committee on the District of Columbia.

By Mr. KING:

A joint resolution (S. J. Res. 52) relating to a permanent memorial in the city of Washington, D. C., to the memory of Thomas Jefferson; to the Committee on the Library.

AMENDMENT OF NEUTRALITY JOINT RESOLUTIONS

Mr. PITTMAN. I introduce a joint resolution and ask to have it referred to the Foreign Relations Committee. I will state that it relates to the neutrality acts. There has been some suggestion of tentative amendments. I desire that it be submitted to the committee so that consideration of this matter may be commenced.

The VICE PRESIDENT. The joint resolution will be received and referred, as requested by the Senator from Nevada.

The joint resolution (S. J. Res. 51) to amend the joint resolution entitled "Joint resolution providing for the prohibition of the export of arms, ammunition, and implements of war to belligerent countries; the prohibition of the transportation of arms, ammunition, and implements of war by vessels of the United States for the use of belligerent states; for the registration and licensing of persons engaged in the business of manufacturing, exporting, or importing arms, ammunition, or implements of war; and restricting travel by American citizens on belligerent ships during war", approved August 31, 1935, being Public Resolution No. 67, Seventy-fourth Congress (S. J. Res. 173), as amended by joint resolution approved February 29, 1936, entitled "Joint resolution extending and amending the joint resolution (Public Res. No. 67, 74th Cong.), approved August 31, 1935", was read twice by its title and referred to the Committee on Foreign Relations.

AMENDMENT OF FEDERAL TRADE COMMISSION ACT

Mr. BARKLEY. Mr. President, on behalf of the Senator from Montana [Mr. WHEELER], who is ill, I introduce a bill to amend the Federal Trade Commission Act. It is in identical terms with Senate bill 3744, Seventy-fourth Congress, second session, which was passed by the Senate on the 4th of May 1936. That bill went to the other House, and on it the House committee held hearings, but, on account of the lateness of the session, the House did not act upon the bill. The hearings which were held before the committees of the Senate and the House and the report filed by the Senate Committee on Interstate Commerce contain all the information with respect to the measure. I make this statement at the request of the Senator from Montana.

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

The bill (S. 1077) to amend the act creating the Federal Trade Commission, to define its powers and duties, and for

other purposes, was read twice by its title and referred to the Committee on Interstate Commerce.

CHANGE OF REFERENCE

On motion by Mr. SHEPPARD, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 917) for the relief of officers and soldiers of the Volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, and it was referred to the Committee on Claims.

HEARINGS BEFORE THE COMMITTEE ON CIVIL SERVICE

Mr. BULOW submitted the following resolution (S. Res. 66), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Civil Service, or any subcommittee thereof, hereby is authorized during the Seventy-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be held in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

STUDY OF CORRUPT PRACTICES ACTS (S. DOC. NO. 11)

Mr. NYE. Mr. President, for as many as 10 years I have been conversant with the effort being made by Prof. Harry Best, of the University of Kentucky, in connection with a study of the corrupt practices acts of the various States of the Union. His study has been kept up to date from year to year and as laws have been changed his compilation has been changed. I think the study most deserving of being printed as a public document, and I ask consent that it may be so printed.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order is made.

AUTHORITY TO SIGN AN ENROLLED BILL

Mr. ROBINSON. Mr. President, I ask recognition for the consideration of a privileged order. I ask entry of the order which I send to the desk and invite the attention of the Senator from Oregon [Mr. McNARY].

The VICE PRESIDENT. The order will be read.

The legislative clerk read the order, as follows:

Ordered, That the President of the Senate be, and he is hereby, authorized to sign, during the recess or adjournment of the Senate following today, the enrolled bill (S. 416) to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised.

The VICE PRESIDENT. Without objection, the order is entered.

THE LAWYER AND DEMOCRACY—ARTICLE BY CHARLTON OGBURN

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an article by Mr. Charlton Ogburn published in the American Law Review in 1915, entitled "The Lawyer and Democracy", which appears in the Appendix.]

THE CALENDAR

The VICE PRESIDENT. Morning business is closed. The calendar under rule VIII is in order, and the first bill on the calendar will be stated.

EXCHANGE OF USED PARTS OF EQUIPMENT

The bill (S. 462) to permit the exchange of used parts of certain types of equipment for new or reconditioned parts of the same equipment was announced as first in order.

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

There being no objection, the bill was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That used parts of mechanical refrigerators, hermetically sealed refrigerating units, temperature control devices, and watchmen's clocks may be exchanged in whole or in part payment for new or reconditioned parts to be used for the same purpose as those proposed to be exchanged.

CHARLES T. MILLER HOSPITAL, INC., AND OTHERS

The bill (S. 767) for the relief of the Charles T. Miller Hospital, Inc., at St. Paul, Minn.; Dr. Edgar T. Herrmann;

Ruth Kehoe, nurse; and Catherine Foley, nurse, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to pay, out of the naval hospital fund, to the Charles T. Miller Hospital, Inc., at St. Paul, Minn., the sum of \$135.45; to Dr. Edgar T. Herrmann the sum of \$117; to Ruth Kehoe, nurse, the sum of \$9; and to Catherine Foley, nurse, the sum of \$4; in all, \$265.45, in full settlement of all claims against the Government of the United States for services and professional treatment rendered Leonard James Graves, storekeeper, second-class, (F-1) United States Naval Reserve, while ill with diabetic acidosis during the period from August 17, 1935, to September 7, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

REIMBURSEMENT OF CERTAIN ENLISTED MEN OF THE NAVY

The Senate proceeded to consider the bill (S. 766) to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects destroyed in a fire at the radio direction-finder station, North Truro, Mass., on December 27, 1934, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$527.89, or such portion as may be necessary, to pay claims of enlisted men and former enlisted men of the United States Navy for the value of personal effects destroyed as the result of a fire at the radio direction-finder station, North Truro, Mass., on December 27, 1934: *Provided*, That the Secretary of the Navy shall determine the amount to be paid hereunder to each claimant: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, will the Senator from Massachusetts [Mr. WALSH] make a very brief explanation of Senate bill 766, providing for the reimbursement of certain enlisted men of the Navy? Does the bill contemplate extending the rule beyond that which heretofore has prevailed in the Navy?

Mr. WALSH. It does not. Both of the bills, the one just passed and the one now before us, were sent to the Senate by the Secretary of the Navy and were introduced at the request of the Navy.

Under the general law if an enlisted man or an officer suffers damage by reason of a fire through a "marine disaster", the Navy Department itself can award and pay damages. There is no general law that permits the awarding of damages for loss of the clothing or effects of a naval officer or enlisted man of the Navy if the loss happens in a navy yard or in some other place than a "marine disaster." Several bills of this nature have passed previous Congresses.

The purpose of the bill is to provide an appropriation of \$527.89 for the payment to five enlisted men and former enlisted men of the Navy for the loss of clothing and other effects resulting from a fire at the radio direction-finder station, North Truro, Mass., on December 27, 1934.

The facts and circumstances of this case are, substantially, as follows: At about 5:20 p. m., on December 27, 1934, a fire was discovered in the chimney casing of the crew's barracks at the radio direction-finder station, North Truro, Mass. The main chimney of the barracks, where the fire started, was of single brick construction with no insulation other than a 4-inch air space between the chimney and the pine chimney casing. The chimney was not lined. After the fire had burned the section of the roof near the top of the chimney, the upper part of the chimney collapsed. The fire completely destroyed the barracks and its contents, the garage, pump-

house, and the firehouse. One side and the roof of the power-house were badly scorched. The fire was fought by the station personnel under the direction of the chief radioman in charge of the station and by the combined fire departments from North Truro, Provincetown, and Wellfleet, Mass. The station chemical fire apparatus functioned properly, but the personnel fighting the fire were greatly handicapped by the lack of sufficient water supply. No personal effects, except what each man was wearing, were saved by the crew.

The board of investigation that inquired into the circumstances of the fire expressed the opinion that it resulted from a defective chimney; that no responsibility on the part of claimants exists, therefore, the defect being due to the long use of the chimney and the fact that it was so enclosed as to be impracticable to examine its condition during routine inspection. The personnel of the station, aided by outside assistance, made every possible effort to subdue the fire and save the property of the Government. The board commended them for restricting the damage to the property destroyed.

Claims were submitted by five enlisted men for losses occurring in the fire. These claims were submitted to the Navy Department Claims Board, which found the total value of the articles destroyed to be \$527.89, which amount is considered to be reasonable. The committee is of the opinion that as the losses of claimants' effects occurred without fault or negligence on their part and consisted only of articles of wearing apparel and personal effects, they should be reimbursed for the losses sustained.

The claims were submitted to the Navy Department for settlement under the act of October 6, 1917 (sec. 981, title 34, U. S. C.), but could not be adjusted thereunder on account of the fact that the fire was not a "marine disaster." There is no other existing authority of law for the adjustment of these claims.

The additional cost to the Government should the bill be enacted will not exceed \$527.89.

Mr. KING. I have no objection.

The VICE PRESIDENT. The question is, Shall the bill be engrossed for a third reading?

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

Mr. SCHWELLENBACH. Mr. President, I understood the Senator from Utah [Mr. KING] objected to the present consideration of the bill.

Mr. KING. No; I stated I had no objection.

The VICE PRESIDENT. The bill has been passed. Does the Senator desire a reconsideration?

Mr. SCHWELLENBACH. I should like to interpose an objection. The Committee on Claims is preparing rules in reference to bills of this kind which they desire to submit to the Senate. The feeling in the Committee on Claims is that the Government should not be an insurer in cases of this kind, but that if a loss is due to some negligence on the part of the Government then the enlisted men should be entitled to reimbursement. Otherwise, they should not be entitled to it. I ask for a reconsideration of the vote by which the bill was passed.

The VICE PRESIDENT. Is there objection?

There being no objection, the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed were reconsidered.

The VICE PRESIDENT. The bill will remain on the calendar.

MISSOURI RIVER BRIDGE, ATCHISON, KANS.

The bill (S. 62) to extend the times for commencing and completing the construction of a free highway bridge across the Missouri River at or near Atchison, Kans., was announced as next in order.

Mr. BULKLEY. Mr. President, I ask that the bill may be recommitted to the Committee on Commerce. I understand several persons interested are desirous of appearing before the committee and making statements in reference to it.

The VICE PRESIDENT. That may be done if there is no objection. Is there objection to the request of the Senator from Ohio?

Mr. MCGILL. Mr. President, this happens to be my bill. I am willing for the committee to hear the parties referred to by the Senator from Ohio, but I object to the bill being taken from the calendar and recommitted back to the committee.

Nearly 3 years ago a measure was passed granting permission to construct the bridge. Those who desire now to have a hearing have continually held up the matter by some temporary restraining order in one court or another for a full period of 3 years. Early next month the time will expire within which to begin the construction of the bridge. Therefore, action should be had on the bill at a very early date.

I should like to have the bill remain on the calendar. If the Senator from Ohio has constituents who would like to appear before the subcommittee, that is agreeable, provided they will do so at a reasonably early date.

Mr. BULKLEY. I only desire to make sure that they shall have a hearing.

The VICE PRESIDENT. The Chair understood the Senator from Kansas [Mr. MCGILL] to object to recommitment of the bill to the Committee on Commerce. Apparently there is no objection to the bill going over. It will be passed over and remain on the calendar.

THE FOREIGN DEBTS

Mr. LEWIS. Mr. President, I ask the indulgence of the Senate for a brief time, which I trust will not exceed 5 minutes.

Mr. President, I bring to the attention of the Senate a press report laid on my desk this moment. This public information, as communicated to us by the press, indicates that our Nation's debtors—the foreign nations now indebted to the United States in vast billions—are indicating a desire to take the subject up anew with this Government. It is here reported that they have found it agreeable to send commissioners or envoys to take up the question with the American administration in power in such manner as may be expressed by us to our people.

I do not know, sir, that those who are assumed to be envoys are being commissioned by the governments which are indebted to the United States, or whether they have assumed to come here as voluntary emissaries of peace and financial honor. I am exceedingly interested to ascertain by what authority they come, and I am more interested as to what they bring.

I am quite aware that we frequently quote the ancient maxim of the Greeks as to those who were opposed to them, to beware of those bearing gifts. I am not conscious that those who are on their way are bringing gifts which were indicated in those days as presents. I am conscious of the fact that we are at a time when some action must be taken as to these debts.

I observe from the general press which gives this information that there is in our midst already a distinguished financier and emissary, Sir George Paish. This eminent gentleman has frequently done us the honor to be present, and has submitted his wisdom in different forms and suggestions for our guidance. In a matter of this kind we should not be without due appreciation, since the announcement is now made, among others, that he comes to instruct us, as well as England, in the matter of what is known as the Carnegie peace movement, of its importance for America's future welfare. Incidentally with this, sir, it is reported that the head of the Board of Trade of London and that of the English Government, the eminent financier, Sir Runciman, is at New York. He, in an interview on this subject, announced a very natural desire, hoping that the "whole subject may now be settled."

In the meanwhile we behold that France, through her ruling officer under the theory of her government, acting through Ambassador-elect Bonnet, who is shortly to be the representative of France here in the United States, and an officer of the institution which we speak of as the Bank of France, has stated that, while there is no cash to be paid to the United States, it is to be trusted that there will be found a "method", and that there has been, says the quotation, some consideration mutually between some of the debtors. I take it, sir, that means England and France, as it is only

as to those two that we have seen that there has been any conference between the eminent representatives of these very reputable nations. I observe, sir, that one of these announced representatives says "that the time has come when this whole dispute should now be settled." In that we wholly concur.

Mr. President, it is a noted fact that these great nations, standing upon the dignity of the pressure from their Governments, have found it agreeable, in the response to the different demands from this Government to decline to pay their debts or to state any time when any part of the debts will be paid, and even refuse to recognize the interest due as proof earnest of the honesty of the debt. It may be, sir, that they find it agreeable to execute some policy of their own not heretofore expressed, unknown to us so far as declaration is concerned, but very clearly one in process of some understanding; for the work of confusing the status seems to be so contemporaneous and, at the same time, sir, so synonymous with the same object, that one can but conclude that there has been at least the direction in detail of each to guide and protect the conduct of the other.

Mr. President, it may be, and for the purposes of this suggestion we will consider, that there is not cash to be paid, and that these eminent sources are here, as intimated, to find some "method." Among other methods is, perchance, that of another conference by this Government and the other governments interested as debtors to bring about a reduction of the debt, perchance wiping it out by some "method" of pretense of friendship and brotherhood; or, at any rate, sir, to "dispose of the subject", as one of the eminent representatives expresses himself, by cancellation of the obligation.

Mr. President, I make bold at this moment, with the indulgence of the Senate, to make a respectful suggestion to these eminent envoys and emissaries for their consideration, because of the subject matter rising to the dignity of one that now may be considered to be in need of termination.

Since it be true, sir, that these nations have no cash with which to pay us, as they state, but since it is also evidently true, sir, that they are able to build for themselves a very large increase in the armaments of war, I take the liberty of calling to their attention the fact that since the world at large seems to be threatening all mankind with some form of hostility, and this our United States of America is compelled by these conditions of warning to take preparation for its defense, and since our debtor England is enabled to build great ships at vast expense for its uses and to discharge them from her yards and send them to the seas, and as necessities now have put upon the United States the need for a larger navy and for the addition of ships, it is suggested that England contribute in part payment of the debt that she owes us some of the ships that are in excess of her immediate needs, or that she build in her yards a form of ships commensurate with the needs of this our United States of America, those ships to be sent to the United States to take the place of those which otherwise we should be compelled to build and pay for out of the Treasury of our Nation.

In this respect, this particular feature of what one of the eminent emissaries calls "mutual trade" could readily be entered upon with very serious consideration, and I suggest it as one of very natural adoption in the form of "payment of debts."

And now, sir, as to France: As it is known by record that France has been enabled now to hold first place with her submarines, and as such submarines seem to be necessary if war is to be precipitated upon this Nation by any other, then, particularly for our defense, it is suggested that a contribution of those particular craft now in excess of her immediate needs be made by France to supply some of the needs of the United States' service of defense, and that those be credited upon her debt to the amount that the United States may adopt.

But, sir, let us be frank in alluding to Italy. Italy, we will recall, did not receive territory at the Peace Conference. She did not receive vast areas of land such as were given the other debtors of whom we have made mention, which, in the long range of their geography, include more population, taken all together, than the whole population of the United States of America, and, sir, in area, if measured by the estimates given by those who received them, exceeding the land that is occupied upon the Continent of America. Since Italy has received nothing of these in the form of indemnity, we suggest that Italy be considered in the light of this lesser situation; and since she now possesses the aerial machine or flying machine so necessary to war in such quantity and evidently of such force and modern power that she was able to affright great England with her threat of aerial armament surrounding the Red Sea and the Suez Canal at the time when there was contemplation of war between Italy and England over Ethiopia, we now suggest that Italy make contribution to the United States of some of the surplus of these machines which she has been so able to construct with such magnitude of power and what appears to be great efficacy in their usefulness. And, sir, I submit that as to these three debtors this example be at once entered upon to consider that which our country has uses for, as something in the form of contributions toward this debt.

I am, sir, anxious that these eminent debtors understand that this Government is not sitting idly by, and merely because in its good manners and generosity it has declined continuously to prod its debtors that its silence does not mean that it is surrendering its right or that it is to yield the honest debt which is owed to it. I have often burdened this honorable body, I fear, in taking up subjects such as we now have before us; but I take the liberty to remark, sir, that we cannot overlook the fact that our great debtors have been enabled to add to their forces for the purposes of conflict a vast army of material which has cost vast billions of money. In the meantime, sir, no interest is paid upon this debt, which was incurred by them for their salvation and the money paid by us for what they then said was their necessary preservation. As they cried for salvation at the time, and we yielded at the expense to ourselves of great inconvenience to our people and loss to our Treasury, when a method is suggested by which they could now make a contribution of payment it is highly commendable that at least the gesture be given and that honorable faith be shown between these who are friendly nations.

These nations have done us the compliment of sending abroad these envoys, who, we hope, will be entertained in our midst while they administer to us such direction and counsel as is necessary to our welfare. Of course, no one will think I am indulging in any satire in these observations. Of course, it is seen how entirely serious I am. This is very apparent in the compliment I am having in this attentive, full-seated Senate. I therefore take the liberty in this honorable body of suggesting that these nations should consider, sir, the seriousness of this situation and give some immediate evidence of action, so that this Nation may know what is to be the course of these debtors. Do they intend to continue this course of deception, this plausibility of gesture, this expression of general friendship, while continuing an indebtedness and constantly cheating us of our rights? If they intend to do that, let them announce it, that we may know where we are, and where we are to be, and what shall be the manner of our dealing hereafter with such debtors. This is the hour when we must recall to these honorable nations the warning contained in the words of the twenty-second chapter of the Revelations—that even a nation may reach a point where it will be known before the world as one "that loveth and maketh lies." I trust, sir, that we shall not be called upon to deal with these nations upon such a basis.

I take the liberty to make suggestions such as I have made that these eminent envoys, or whatever representatives they are, shall consider such as some of the methods by which

payment may be made in a manner of which we have need, but which avoids the paying of cash, and at least gives some illustration and demonstration of an honest effort to pay these debts. They are now due again in this January of the new year—this 1937. May there come a result to be saluted with "a Happy New Year."

I thank the Senate for its indulgence.

EXECUTIVE SESSION

Mr. ROBINSON. The calendar has been disposed of. If there be no further legislative business, 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 messages from the President of the United States, submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

Mr. ADAMS, from the Committee on Public Lands and Surveys, reported favorably the nomination of Frank E. DeKay, of Idaho, to be register of the land office at Blackfoot, Idaho, which was ordered to be placed on the Executive Calendar.

THE POSTMASTER GENERAL

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, as follows:

THE WHITE HOUSE, January 22, 1937.

To the Senate of the United States:

I nominate James A. Farley, of New York, to be Postmaster General. (Reappointment.)

FRANKLIN D. ROOSEVELT.

Mr. ROBINSON. Mr. President, there have been sent to the Senate today a number of Executive nominations, among them the nomination of Mr. James A. Farley to be Postmaster General, which has just been laid before the Senate. Under the custom which has prevailed in the Senate, I ask unanimous consent for the present consideration of the nomination.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas?

Mr. McNARY. Mr. President, this is an unusual request, but probably the situation is unusual. I do not wish to have consent upon my part on this occasion construed as a precedent in the future. With this remark, I have no objection to the confirmation of the nomination of Mr. Farley.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. ROBINSON. I ask unanimous consent that the President be notified.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

THE JUDICIARY

The legislative clerk read the nomination of Charles C. Wyche to be United States district judge, western district of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Claude N. Sapp to be United States district attorney for the eastern district of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Oscar Henry Doyle to be United States attorney for the western district of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

NAVY DEPARTMENT

The legislative clerk read the nomination of Charles Edison, of New Jersey, to be Assistant Secretary of the Navy.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Admiral William D. Leahy to be Chief of Naval Operations in the Department of the Navy.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotions in the Navy.

Mr. WALSH. Mr. President, all the remaining naval nominations are promotions made in the regular order, which have been approved by the Committee on Naval Affairs, and I ask that they be confirmed en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the other nominations in the Navy are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk read the nomination of Brig. Gen. Thomas Holcomb to be major general commandant of the Marine Corps.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Col. James J. Mead to be brigadier general in the Marine Corps.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk proceeded to read sundry nominations for promotions in the Marine Corps.

Mr. WALSH. Mr. President, I ask that all the other nominations in the Marine Corps, which have been made through a selection board, and which have been approved by the Committee on Naval Affairs, be confirmed en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the other nominations in the Marine Corps are confirmed en bloc. That completes the calendar.

ADJOURNMENT TO TUESDAY

The Senate resumed legislative session.

Mr. ROBINSON. Mr. President, there is no business on the calendar. I therefore move an adjournment of the Senate until Tuesday next at 12 o'clock. I hope that in the meantime the committees may have opportunity to consider proposed legislation.

The motion was agreed to; and (at 12 o'clock and 35 minutes p. m.) the Senate adjourned until Tuesday, January 26, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 22, 1937

POSTMASTER GENERAL

James A. Farley, of New York, to be Postmaster General. (Reappointment.)

UNDER SECRETARY OF THE TREASURY

Roswell Magill, of New York, to be Under Secretary of the Treasury, to fill an existing vacancy.

THE ADJUTANT AND INSPECTOR OF THE MARINE CORPS

Col. Clayton B. Vogel to be The Adjutant and Inspector of the Marine Corps, with the rank of brigadier general, for a period of 4 years from the 1st day of March 1937.

COLLECTOR OF INTERNAL REVENUE

William P. Stuart, of Prescott, Ariz., to be collector of internal revenue for the district of Arizona, to fill an existing vacancy.

UNITED STATES MARSHAL

Granville T. Norris, of Oklahoma, to be United States marshal for the eastern district of Oklahoma, vice James E. Swinney, deceased. (Mr. Norris is now serving under an appointment by the court.)

WORKS PROGRESS ADMINISTRATION

W. S. Key, of Oklahoma, to be State administrator in the Works Progress Administration for Oklahoma.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES
GENERAL OFFICERS

Maj. Gen. Gilson Don Light, Ohio National Guard, to be major general, National Guard of the United States.

Brig. Gen. William Lloyd Marlin, Ohio National Guard, to be brigadier general, National Guard of the United States.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 22, 1937

POSTMASTER GENERAL

James A. Farley to be Postmaster General.

UNITED STATES DISTRICT JUDGE

Charles C. Wyche to be United States district judge, western district of South Carolina.

UNITED STATES DISTRICT ATTORNEYS

Claud N. Sapp to be United States district attorney, eastern district of South Carolina.

Oscar Henry Doyle to be United States district attorney, western district of South Carolina.

ASSISTANT SECRETARY OF THE NAVY

Charles Edison, to be Assistant Secretary of the Navy.

CHIEF OF NAVAL OPERATIONS

Admiral William D. Leahy to be Chief of Naval Operations in the Department of the Navy with rank of admiral.

PROMOTIONS IN THE NAVY

To be rear admirals

Wilson Brown	Ralston S. Holmes
Walter S. Anderson	Charles A. Blakely
Samuel M. Robinson	

To be captains

Samuel A. Clement	Paul H. Bastedo
Walter K. Kilpatrick	Andrew D. Denney
Francis W. Rockwell	Charles M. Yates
Sydney M. Kraus	John F. Shafroth, Jr.
Charles C. Ross	Jules James
Archer M. R. Allen	John R. Beardall
Howard H. Crosby	Timothy J. Keleher
Francis Cogswell	Howard B. Meclarey
James M. Irish	Archibald H. Douglas
Paul E. Speicher	Willis A. Lee, Jr.
Arthur S. Carpenter	William W. Wilson
James L. Kauffman	David F. Ducey
William D. Brereton, Jr.	Ernest W. McKee
William R. Munroe	William H. Pashley
Albert M. Penn	William R. Purnell

To be commanders

Thomas G. Peyton	Tully Shelley
Samuel P. Jenkins	Dallas D. Dupre
Cornelius W. Flynn	Nathaniel M. Pigman
William Granat	Horace D. Clarke
Armit C. Thomas	James E. Maher
Homer W. Graf	Allan E. Smith
Francis S. Low	Leighton Wood
Francis M. Maile, Jr.	Harvey E. Overesch
Alexander S. Wotherspoon	Allen G. Quynn
Forrest B. Royal	George C. Kriner
John L. McCrea	Clifford G. Richardson
Frederick G. Richards	James M. Lewis
Marshall B. Arnold	John J. Mahoney
Roswell H. Blair	Ralph W. Christie

Henry M. Mullinnix	Robert B. Carney
Richard W. Bates	Arthur W. Radford
Burton W. Chippendale	Boyd R. Alexander
Elmer R. Henning	Jesse L. Kenworthy, Jr.
Irving R. Chambers	Webster M. Thompson
Myron W. Hutchinson, Jr.	Albert E. Schrader
Ralph E. Davison	Dennis L. Ryan
Don P. Moon	Andrew D. Mayer
Russell S. Berkey	Charles T. Joy
George F. Hussey, Jr.	John E. Reinburg, Jr.
Thomas J. Keliher, Jr.	John A. Terhune
Osborne B. Hardison	Charles J. Wheeler
Clinton E. Braine, Jr.	Theodore T. Patterson
William M. Fichteler	Samuel P. Ginder
Charles A. Baker	Van H. Ragsdale
Gerald F. Bogan	John Wilkes
Leon S. Fiske	Homer L. Grosskopf
Willard A. Kitts, 3d	Fred D. Kirtland
Bertram J. Rodgers	James M. Steele
Frank E. Beatty	Arthur D. Burhans
Gail Morgan	Thomas D. Warner
Thorvald A. Solberg	Charles P. Cecil
Clifford H. Roper	Calvin T. Durgin
Edward P. Sauer	Humbert W. Ziroll
John H. Carson	John S. Roberts
Milton O. Carlson	Arthur C. Miles

To be lieutenant commanders

Benjamin N. Ward	William B. Fletcher, Jr.
William G. Livingstone	Burton B. Biggs
Charles L. Hutton	Walter F. Boone
Jewett P. Moncure	Norman O. Schwien
Wade DeWeese	George H. De Baun
Allan D. Blackledge	Charles J. Maguire
Thomas H. Binford	William L. Rees
Perley E. Pendleton	Jesse H. Carter
Walton W. Smith	Bern Anderson
Richard P. Glass	Charles F. Erck
John V. McElduff	Edwin G. Fullinwider
Khem W. Palmer	Edwin D. Graves, Jr.
Elmer Kiehl	Andrew P. Lawton
Hilyer F. Gearing	Joseph O. Saurette
Joseph J. Rochefort	Harold L. Meadow
Herbert C. Behner	Gilbert B. Myers
Roland E. Krause	Lucien A. Moebus
John L. Murphy	Heber H. McLean
Campbell Keene	James R. Dudley
Lester G. Bock	Joseph F. Bolger
Nolan M. Kindell	Raymond D. Tarbuck
Edward E. Dolecek	Rupert M. Zimmerli
Delbert L. Conley	William E. Sullivan
Nathan W. Bard	Roy C. Hudson
Harold J. McNulty	Oswald S. Colclough
Stanley F. Patten	Lyman A. Thackrey
Dolph C. Allen	John A. Snackenber
Robert E. Mason	Carlton R. Todd
Francis A. Packer	Thomas L. Wattles
Cyril A. Rumble	Gerard F. Galpin
Kenneth H. Noble	Kenneth C. Caldwell
Marion R. Kelley	George H. Bahm
Walter E. Moore	Francis J. McKenna
Edward M. Thompson	Gordon B. Parks
Charles Wellborn, Jr.	Charles R. Pratt
Duncan Curry, Jr.	Stuart H. Ingersoll
John G. Jones	Rutledge B. Tompkins
Ransom K. Davis	Heber B. Brumbaugh
Paul R. Coloney	John E. Pixton
James E. Hamilton	Willis N. Rogers
Clarence E. Olsen	Guy Chadwick
Arnold J. Isbell	Campbell H. Minckler
Nealy A. Chapin	Ralph B. Hunt
Arthur DeL. Ayrault	Clark L. Green
Daniel V. Gallery, Jr.	John W. Jamison
William R. Millis	William A. Gorry
Edward E. Roth	William B. Jackson, Jr.
Wendell G. Switzer	John A. Waters, Jr.

Timothy J. O'Brien
 Leo L. Pace
 Joseph C. Van Cleve
 Ralph E. Butterfield
 Harry A. Guthrie
 William S. G. Davis
 Francis X. McInerney
 Sydney S. Bunting
 Grover B. H. Hall
 Albert G. Cook, Jr.
 Sterling T. Cloughley
 William B. McHugh
 Frederick D. Kime
 Roscoe L. Bowman
 John G. Burrow
 Thomas J. Ryan, Jr.
 Donald R. Tallman
 Gerald D. Linke
 William F. Fitzgerald, Jr.
 Thomas J. Kelly
 John J. Curley, Jr.
 Paul E. Roswall
 William W. Juvenal

Wilson D. Leggett, Jr.
 William G. Lalor
 John P. Womble, Jr.
 Bryan C. Harper
 Ralph O. Myers
 Samuel W. Du Bois
 Thomas F. Darden, Jr.
 John H. Willis
 Byron H. Hanlon
 Joseph C. Hubbard
 Carl H. Bushnell
 Laurence A. Abercrombie
 Dashiell L. Madeira
 David W. Roberts
 Elmer A. Tarbutton
 Silas B. Moore
 Irving D. Wiltsie
 Elwood D. Poole
 George D. Martin
 Boynton L. Braun
 Wyatt Craig
 Paul E. Pihl
 Clement F. Cotton

Frank B. Schaede
 William L. Anderson
 Etheridge Grant
 Clarence W. McClusky, Jr.
 Thomas F. Halloran
 Wendell F. Kline
 Eugene M. Waldron
 Algernon S. Joyner, Jr.
 Donald L. Mills
 Richard M. Boaz
 Samuel M. Tucker
 Clifford H. Duerfeldt
 Paul W. Watson
 Allen R. Joyce
 Royal Lovell
 Louis E. French
 Clarence O. Taff
 John J. Greytak
 William R. Shaw
 Jesse L. Hull
 Stanley G. Nichols
 Henri de B. Claiborne
 Seth A. Shepard
 Upton S. Brady, Jr.
 Charles N. Day
 John F. Greenslade
 John A. Winfrey
 Theodore R. Frederick
 William A. Dolan, Jr.
 Theodore C. Aylward
 Ramond C. Ericson
 Eugene F. May
 Harold A. Fravel
 Henry D. Rozendal
 John L. Wilfong
 William Miller, Jr.
 William R. Smedberg, 3d
 Doir C. Johnson
 Edwin S. Schanze
 Heywood L. Edwards
 Douglas V. Gladding
 Francis L. Busey
 Warren E. Gladding
 John M. Duke
 John P. Fitzsimmons
 John H. Simpson
 Claude W. Haman
 Henry E. Bernstein
 William R. Hollingsworth
 James E. Leeper
 Ford N. Taylor, Jr.
 Hilan Ebert
 William E. Oberholtzer, Jr.
 Theodore W. Rimer
 Roy A. Gano
 Robert R. Johnson
 Earl K. Olsen
 John K. Wells
 William K. Romoser
 Edward L. B. Weimer
 Benjamin Van M. Russell
 John E. Fradd
 Robert B. Ellis
 Ralph S. Clarke
 Valery Havard, Jr.
 Charles W. Moses
 Daniel J. Sweeney
 Orville K. O'Daniel
 Hamilton Hains
 Robert S. Purvis, Jr.
 Gordon Campbell
 Fondville L. Tedder
 Mannert L. Abele
 Morton K. Fleming, Jr.
 Gerald D. Zurmuehlen
 Louis L. Vodila

John A. Glick
 Gordon A. McLean
 Robert G. Armstrong
 John G. Foster, Jr.
 Barron G. Lowrey
 Joe B. Paschal
 George W. Campbell
 Theodore H. Kobey
 Erasmus W. Armentrout, Jr.
 Paul M. Curran
 Diggs Logan
 Joseph H. Willingham, Jr.
 Ranson Fullinwider
 John K. Reybold
 John L. Woodbury
 Charles Jackson
 Henry T. Dietrich
 Walter L. Dyer
 Edward S. Hutchinson
 Kenneth Craig
 Oscar Pederson
 Charles T. Singleton, Jr.
 Lawrence H. Martin
 Charles E. Crombe, Jr.
 Laurence H. Frost
 Paul H. Tobelman
 Leonard J. Dow
 Frederick C. Stelter, Jr.
 Louis Shane, Jr.
 John Shoemaker
 Paul L. Dudley
 Burnham C. McCaffree
 Eugene S. Karpe
 Ralph D. Smith
 Jacob E. Cooper
 Thomas F. Conley, Jr.
 Thomas R. Langley
 Ralph E. Westbrook
 Orlin L. Livdahl
 Malcolm A. Hufty
 Luther K. Reynolds
 Louis M. LeHardy
 Olin P. Thomas, Jr.
 Louis E. Gunther
 James N. Shofner
 Charles J. Whiting
 Guy B. Helmick
 Robert R. DeWolfe
 Daniel T. Birtwell, Jr.
 Harold J. Pohl
 George G. Crissman
 Wallace J. Miller
 Samuel J. McKee
 Donald A. Crandell
 Henry T. Hodgskin, Jr.
 Clifford T. Corbin
 Lewis R. Miller
 Charles R. Carroll
 Joe B. Cochran
 Hamilton W. Howe
 Benjamin Katz
 Donald McGregor
 Solomon D. Willingham
 Hugh D. Black
 Benjamin S. Custer
 Benjamin R. Crosser
 Harry D. Johnston
 William T. Kenny
 William H. Carpenter
 John D. Sweeney
 Thompson P. Elliott
 Andrew H. LaForce
 Daniel B. Miller
 John H. Brownfield
 Joseph R. Haskin, Jr.
 Duncan C. MacMillan

To be lieutenants

Cornelius M. Sullivan
 George J. King
 Lynn C. Petross
 Francis B. McCall
 Arthur R. Quinn
 Roy R. Ransom
 George R. Phelan
 Ernest J. Davis
 John H. Lewis
 Lewis M. Markham, Jr.
 Frank L. Durnell
 William K. Rhodes
 Clanton E. Austin
 Frank W. Fenno, Jr.
 Richard K. Gaines
 Winthrop E. Terry
 John C. Hammock
 Julian K. Morrison, Jr.
 John Sylvester
 William O. Floyd
 Charles H. Lyman, 3d
 Bert F. Brown
 John M. Taylor
 James S. Russell
 Jesse L. Phares
 Albert G. Mumma
 James M. Lane
 Paul D. Stroop
 Benjamin B. C. Lovett
 Henry C. Bruton
 George T. Mundorff
 Carlton B. Hutchins
 Robert B. Goldman
 Dennis J. Sullivan
 Sidney L. Smith
 Harlan K. Perrill
 Charles B. Hart
 Marvin P. Evenson
 James H. Ward
 Howard W. Gilmore
 Chester L. Clement
 William S. Whiteside
 Walter C. Stahl
 Herald F. Stout
 Jesse S. McClure
 Robert B. Pirie
 Alexander S. McGill
 Fitzhugh Lee
 Stanton B. Dunlap
 Hugh P. Webster
 Malcolm S. Adams

Alvord J. Greenacre
 William G. Myers
 Nathaniel S. Prime
 Wesley A. Wright
 Philip Niekum, Jr.
 John L. Burnside, Jr.
 Frederick A. Davisson
 Charles F. Horne, Jr.
 Frank O'Beirne
 Walter E. Linaweaver
 Edward N. Dodson, Jr.
 Philip S. Morgan, Jr.
 William J. Whiteside
 Walter F. Rodee
 John O'Shea, Jr.
 Francis D. McCorkle
 Robert W. Cavenagh
 James A. Morrison
 Elton W. Grenfell
 Leonidas M. Matthews
 Frederic A. Graf
 John C. S. McKillip
 John B. McLean
 Thomas M. Wolverton
 Welford C. Blinn
 Charles A. Buchanan
 Ralph E. Patterson
 Joseph B. Stefanac
 Karl J. Biederman
 John F. Newman, Jr.
 Vilhelm K. Busck
 Charles Adair
 William L. Pryor, Jr.
 Willard M. Sweetser
 Clarence Broussard
 Herman O. Parish
 Cecil L. Smith
 Karl F. Poehlmann
 Spencer A. Carlson
 Everett H. Still
 Francis L. Black
 Edward L. D. Roach, 2d
 Justus M. B. R. Armstrong
 John F. Gallaher
 Charles E. Signer
 James B. Fox
 James F. Byrne
 Nathaniel C. Barker
 John J. Crane
 William G. Cooper
 Douglas H. Fox

Charles H. Quinn
 Anderson Offutt
 DeWitt C. E. Hamberger
 Raymond S. Lamb
 Joseph W. Callahan
 William C. Asserson, Jr.
 Dwight M. Agnew
 Marvin C. Parr
 Gale E. Griggs
 Clifton B. Maddox
 William White
 Eugene S. Sarsfield
 Leonard Branneman
 Charles L. Carpenter
 Robert R. Moore
 John F. Walsh
 Earl S. Caldwell
 Marshall B. Gurney
 Henry Farrow
 Carroll B. Jones
 George L. Shane
 Maxwell F. Leslie
 Norman L. Holt
 Walter H. Albach
 John W. Bays
 Lawrence R. Daspit
 Samuel H. Crittenden, Jr.
 Melvyn H. McCoy
 James H. Hogg
 Paul H. Ramsey
 George W. Anderson, Jr.
 Warren F. Graf
 Albert B. Scoles
 Jack S. Holtwick, Jr.
 Eliot Olsen
 Welton D. Rowley
 Shirley S. Miller
 Francis C. Manville
 James E. Cohn
 Richard H. Phillips
 Leonard S. Mewhinney
 Warner R. Edsall
 Clifford S. Cooper
 William P. Chilton
 William M. Nation
 William H. Organ
 William T. McGarry
 Selman S. Bowling
 Earl B. Patterson
 Cornelius S. Seabring
 William C. Bryson
 Wallace B. Mechling
 Henry H. Caldwell
 Ernest W. Lamons
 Cecil T. Caufield
 Joseph R. Hamley
 Joseph N. Murphy
 John C. Broach
 Charles M. Heberton
 David B. Overfield
 Alan B. Sutherland, Jr.
 Harold S. Harnly
 Ralph Hickox
 Arthur E. Loeser
 Robert H. Rice
 Harlan M. Thorpe
 James F. Benson
 Carl F. Stillman
 Benjamin E. Moore, Jr.
 Leonard C. Chamberlin
 Delbert F. Williamson
 James A. Haley, Jr.
 Thomas J. Hamilton
 Frederic A. Berry, Jr.
 John B. Taylor
 Loren A. Morris

Earl K. Van Swearingen
 Carl J. Pflugstag
 David B. Young
 Roger F. Scott
 Frederick Funke, Jr.
 Herbert F. Eckberg
 John William Murphy
 William C. Specht
 Frederic F. Agens
 James A. Jordan
 Miles H. Hubbard
 George L. Heath
 John C. Zahm
 Harry R. Horney
 Robert C. Winters
 Daniel T. Eddy
 Charles D. Griffin
 Samuel G. Mitchell
 Jack Maginnis
 Edward H. Eckelmeyer, Jr.
 Edward M. Condra, Jr.
 Brooke Schumm
 Jack H. Lewis
 Richard W. Smith
 George K. Fraser
 Carl L. Steiner
 Hilfort C. Owen
 Kenton E. Price
 Arthur S. Born
 Allen Smith, Jr.
 Thomas B. Klakring
 William Loveland
 Alexander M. Kowalzyk, Jr.
 Timonothy F. Donohue
 James M. Roberts
 Alden D. Schwarz
 James G. Holloway, Jr.
 Rawson Bennett, 2d
 Sylvius Gazze
 Howard W. Taylor
 Eldon C. Mayer
 Harold M. Briggs
 Perry K. Jeanes
 Seymour A. Johnson
 Carl R. Midtlyng
 Wellington A. Hammond
 Martin P. Hottel
 Fritz Gleim
 Andrew H. Bergeson
 Raymond J. Moore
 Robert C. Brixner
 Christian H. Duborg
 James R. McCormick
 Lannie Conn
 Paul W. Card
 Otis C. Gregg
 Jack F. Bowling, Jr.
 William E. Ferrall
 Martin J. Lawrence
 Robert S. Quackenbush, Jr.
 Edmund T. Napier, Jr.
 Walter H. Price
 Martin R. Stone
 Daniel J. Weintraub
 Robert L. Densford
 Leland R. Lampman
 Jack P. Monroe
 Herbert L. Hoerner
 Lee W. Parke
 Harry F. Bauer
 John F. Henkel
 Harry E. Day
 Argyll E. Buckley
 Gill M. Richardson
 Joseph T. Hazen
 Leon J. Barbot

Charles B. Beasley
 John T. Corwin
 Clayton R. Dudley
 Edward N. Teall, Jr.
 Richard D. Zern
 John L. De Tar
 John A. Edwards
 Leonard W. Bailey
 Robert B. Alderman
 Myron T. Evans
 Thomas L. Greene
 Charles J. Zondorak
 James A. Prichard
 Tyrrell D. Jacobs
 James L. Shank
 Emmanuel T. Goyette
 John F. Hines, Jr.
 Howard W. Gordon, Jr.
 Paul R. Drouilhet
 Eugene E. Davis
 Creed C. Burlingame
 Robert H. Speck
 Arthur K. Ehle
 Henry R. Dozier
 James W. Blanchard
 Arthur C. W. Baskin
 John W. Schmidt
 Robert M. Barnes
 Harold T. Deutermann
 Charles L. Melson
 Edwin W. Herron
 Thomas O. Oberrender, Jr.
 Arnold W. McKechnie
 Ross R. Kellerman
 Harold M. Zemmer
 Paul S. Depew
 Robert I. F. Fravel
 Theodore O. Dahl
 Liles W. Creighton
 David C. White
 Gerald R. Dyson
 Joe W. Boulware
 Emmett J. Sullivan
 Charles K. Bergin
 Robert E. Dixon
 George L. Hansen
 Richard B. Levin
 Frank Turner
 Ulysses S. G. Sharp, Jr.
 Eugene E. Lindsey
 Philip A. Tague, Jr.
 Leo W. Nilon
 Robie E. Palmer
 Monro M. Riker
 James S. Willis
 Louis P. Fairlamb
 Robert A. Johnson
 Robert Brodie, Jr.
 Frederic S. Habecker
 Robert F. Martin
 Farar B. C. Martin
 Randolph B. Boyer
 Paul L. High
 Hysell P. Cooper
 Howell J. Dyson
 Edward S. Addison
 George G. Mead
 John C. Woelfel
 Willard A. Saunders
 Blinn Van Mater
 Loring O. Shook
 George D. Dickey
 William F. Royall
 Thomas B. Neblett
 Thomas M. Dykers

Floyd C. Camp
 William H. Ashford, Jr.
 Mitchell D. Matthews
 Clarence E. Coffin, Jr.
 Frank Bruner
 Eugene B. McKinney
 Thomas J. Flynn
 Alfred R. Truslow, Jr.
 Selden G. Hooper
 Walter C. Winn
 Frank T. Corbin
 John B. Robertson, Jr.
 John Eldridge, Jr.
 Harry H. McIlhenny
 Albert R. Heckey
 Edwin B. Robinson
 Lucius H. Chappell, Jr.
 John E. Fitzgibbon
 Levi J. Knight, Jr.
 Joseph J. Carey
 Wayne R. Loud
 Louis T. Malone
 John R. Waterman
 Louis H. Hunte
 Courtney Shands
 Monroe B. Duffill
 Eugene F. McDaniel
 Herbert D. Riley
 Jules F. Schumacher
 Roland F. Pryce
 Henry T. Jarrell
 Eugene L. Luginbihl
 Robert V. Hull
 Edward J. Drew
 Francis W. McCann
 Julian D. Greer
 Albert E. Fitzwilliam
 Joseph B. Danhoff
 Joe Taylor
 Renwick S. Calderhead
 Philip H. Ross
 Chesley M. Hardison
 Frank Virden
 William R. D. Nickelson, Jr.
 Myron W. Graybill
 Emile R. Winterhalter
 Robert J. Foley
 Ernest Blake
 Harry L. Hicks
 David B. Coleman
 Henry J. Armstrong, Jr.
 Frank M. Hammitt
 William S. Harris
 Carl M. Dalton
 Claren E. Duke
 William H. Potts
 William H. Brockman, Jr.
 John G. McClaughry
 Bosquet N. Wev
 William R. Ignatius
 Howard A. Yeager
 James W. Hager
 Arthur H. Taylor
 William E. Kaitner
 Bernard M. Gates
 Leonidas W. Pancoast
 Doyle G. Donaho
 Alan R. Montgomery
 William A. Deam
 Harry J. Hardwick
 Malen Durski
 Joshua W. Cooper
 Francis E. Cromwell
 Michael P. Russillo
 John Bailey

Granville A. Moore
Gus B. Lofberg, Jr.
Clinton S. Rounds
Joseph B. Maher
Robert N. Downes
Edward P. Southwick
Gordon S. Everett
John C. Atkeson
Elmer G. Cooper
James J. McRoberts
John E. Clark
Marion M. Byrd
Ray A. Mitchell
Harry D. Hale
Harry R. Hummer, Jr.
William A. Sutherland, Jr.
Thomas C. Green
John O. R. Coll
John S. Thach
Francis R. Jones
Henry M. Marshall
Robert A. Allen
Arthur F. Anders
Ethan W. Allen
Donald G. Burt
Francis C. B. McCune
Samuel M. Pickering
John S. Tracy
George B. H. Stallings
William D. Irvin
Charles W. Parker
Alex McL. Patterson
David W. Shafer
Patrick Henry, Jr.
Claude L. Weigle
Gordon L. Caswell
Robert E. Braddy, Jr.
William W. Outerbridge
Joseph A. Flynn
Milton T. Dayton
Julius F. Way
Clarence E. Boyd
James K. Averill
Albert B. Mayfield, Jr.
George A. Lange
Clarence E. Cortner
Glenn W. Legwen, Jr.
William O. Burch, Jr.
Glynn R. Donaho
Alston Ramsay
Paul D. Gross
Oscar H. Dodson
George L. Jones, Jr.
James P. Walker
Edward R. Johnson
Henry F. Gorski
Charles E. Harrison
Paul F. Johnston
Charles J. Hardesty, Jr.
William M. Gullett

To be lieutenants (junior grade)

Raymond W. Thompson, Jr.
Harold G. Bowen, Jr.
Joseph H. Bourland
Reginald M. Raymond
Thomas H. Morton
Richard L. Mohan
Nova B. Kiergan, Jr.
Gordon Murphy
Bernard H. Meyer
Jack J. Tomamichel
Robert W. Curtis
Luther C. Heinz
Francis E. Brown
Robert M. Gibbons

John H. Cross
Richard E. Myers
Wilton S. Heald
Robert S. Ford
Calvin E. Wakeman
George W. Willcox
Joseph D. McKinney
Joseph R. Rubins
Frank D. Giambattista
Thurston B. Clark
Elmer O. Davis
William S. Maxwell
James R. Lee
Robert E. Van Meter
John Quinn
Harry E. Sears
George H. Moffett
Harlow J. Carpenter
Joseph Finnegan
William S. Pye, Jr.
Thomas A. Ahroon
John A. Bole, Jr.
William A. Schoech
William A. Cockell
John F. Mullen, Jr.
William H. Jacobsen
David L. McDonald
Cuthbert J. Bruen
Theodore F. Ascherfeld
Joseph F. Quilter
William S. Parsons
William J. Millican
Wells Thompson
Earle C. Hawk
Michael P. Bagdanovich
Milton G. Johnson
George P. Enright
Albert O. Momm
Rodney B. Lair
Norman F. Garton
William M. Searles
John R. Pierce
Evan E. Fickling
Albert C. Burrows
Robert O. Strange
Robert C. Peden
Irwin F. Beyerly
John T. Bowers, Jr.
Hugh R. Nieman, Jr.
Daniel J. Wagner
Thurmond A. Smith
Edwin B. Dexter
Michael F. D. Flaherty
Rollo N. Norgaard
Robert J. Archer
George E. King
George Fritschmann
John K. McCue
Francois C. B. Jordan
Chesford Brown

George H. Laird, Jr.
Ezra G. Howard
Herbert C. Yost
Edward P. Lee, Jr.
Jay V. Chase
Vernon C. Turner
Baxter L. Russell
James R. Ogden
Ignatius J. Galantin
James F. Tucker
Charles K. Duncan
Richard L. Kibbe
Thomas F. Connolly
James V. Bewick

Waldemar F. A. Wendt
Edwin S. Miller
Louis J. Majewski
Richard Lane
Ralph L. Shifley
George Wendelburg
Kenneth Loveland
Ernest Lee Jahncke, Jr.
James B. Burrow
Frank R. Arnold
Charles E. Robertson
James G. Franklin
Enrique D. Haskins
Wallace A. Schmid
Hayden L. Leon
Theodore R. Vogeley
John S. Coye, Jr.
Michael J. Luosey
Albert L. Shepherd
Earnest G. Campbell (an additional number in grade)
James H. Fortune, Jr.
Frederick H. Wahlig
James H. Campbell
Robert A. Keating, Jr.
William C. Fortune
Louis J. Stocker
Jack C. Titus
Lester C. Conwell
Charles L. Moore, Jr.
Raymond B. Jacoby
Joseph W. Williams, Jr.
Bruce E. Wiggin
Frederick L. Ashworth
Antone R. Gallaher
James M. Elliott
John Ramee
Paul W. Burton
Ruben E. Wagstaff
Thomas H. Moorer
Harry C. Maynard
Murray Hanson
Warren B. Christie
Joseph F. Enright
Arnold F. Schade
William L. Dawson
Dale Mayberry
John S. Lehman
Lewis M. Davis, Jr.
John Shannon
Henry D. Sturr
Benjamin D. Cheatham
Burden R. Hastings
Walter S. Bobo, Jr.
Philip W. Garnett
Horace V. Bird
Irvin S. Hartman
Clarence M. Caldwell
Robert E. Fair
Edwin E. Lord, 3d
Charles B. Jackson, Jr.
Frank D. Schwartz
Charles E. Loughlin
Otto W. Spahr, Jr.
Hugh R. McKibbin

To be ensigns

Charles K. Phillips
Allen B. Reed, Jr.

Martin Miller
William J. Lederer, Jr.

To be medical directors

Will M. Garton
Ulys R. Webb

To be medical inspectors

Edwin Peterson
Howard H. Montgomery

Joseph L. Schwartz
Oscar Davis

Lemuel M. Stevens, Jr.
James O. Cobb
Earle C. Schneider
James B. Grady
Robert H. McRae
Clinton J. Heath
John R. Dillon
Ralph M. Pray
Frank V. List
George O. Klinsmann
Harry M. Lindsay, Jr.
Charles T. Fritter
Millener W. Thomas
Bernard M. Streat
Frank M. Slater
Thomas A. Christopher
Arthur K. Espenas
Joseph I. Manning
George K. Hudson
Robert W. Leach
Ray Davis
Carl Tiedeman
Paul Masterton
Ludwell R. Pickett
John L. Phillips, Jr.
Laurence H. Marks
George H. Miller
Robert A. Macpherson
John T. Blackburn
Raymond L. Fulton
Joseph W. Koenig
John A. Gamon, Jr.
Selby K. Santmyers
William S. Howell
Clayton L. Miller
Richard C. Gazlay
Francis J. Smedley
Stephen Jurika, Jr.
Bertram J. Prueher
George D. Roullard
Thompson Black, Jr.
William R. Kane
William W. R. Macdonald
Archie T. Wright, Jr.
Thomas V. Peters
John B. Weeks
Carlton B. Jones
James J. Vaughan
Jay T. Palmer
John J. McCormack, Jr.
Clifford M. Campbell
James W. White
Donald E. MacIntosh
Robert S. Riddell
John M. Steinbeck
George M. Price
Edgar M. Davenport
Harold E. Ruble
Charles F. Garrison
Walter H. Newton, Jr.
William E. Shafer
Paul D. Buie
Robert I. Olsen
Edward F. Jackson
Herbert S. Fulmer, Jr.

William P. Mull
William D. Small
Francis W. Carll
Roger A. Nolan
Norman Roberts
David O. Bowman
Edward L. McDermott
Lockhart D. Arbuckle
George P. Shields
George B. Tyler

Kenneth E. Lowman
Franklin F. Lane
Maurice A. Berge
John LeR. Shipley
Ernest A. Daus
Robert W. Wimberly
George A. Alden
Arthur S. Judy
John B. Farrior

To be surgeons

James F. Finnegan
Gilbert E. Gayler
Frank K. Soukup
Willard S. Sargent
Harry J. Scholtes
James E. Root, Jr.
William R. Manlove, Jr.
Frederick C. Greaves
Rob R. Doss
James F. Hays
John M. Brewster

Caldwell J. Stuart
Herbert L. Pugh
Bruce M. Summers.
Oliver A. Smith
Edward P. Kunkel
Peter C. Supan
Edward M. Harris, Jr.
Winfred P. Dana
Robert M. Gillett
George F. Cooper
Clifton A. Young

To be passed assistant surgeons

Emory E. Walter
George B. Ridout
Hubert J. Van Peenen
Ralph E. Fielding
Harold L. Weaver
Thomas G. Hays
William R. Whiteford
William S. Cann
Wilbur E. Kellum
Robert R. Leamer
Frederic W. Farrar
Robert Faust
William F. E. Loftin
Fred Harbert
Carey M. Smith
Guy E. Stahr
Tilden I. Moe
Lester E. McDonald
Edward E. Evans
Charles B. Stringfellow
Bishop L. Malpass
Roy F. Cantrell
Irving J. Warmolts
Otto L. Burton
Louis E. Gilje
O. Henry Alexander
Herman A. Gross
Edward S. Lowe
Robert J. Vaughn
Frank P. Gilmore
Paul Vaughan
Oscar D. Yarbrough
Carr E. Bentel
James D. Boone
Warren G. Wieand
Albert R. Behnke, Jr.
Omar J. Brown
George W. Dickinson
James J. V. Cammisa
John R. Weisser
Kenneth H. Vinnedge
Milton R. Wirthlin
Thenton D. Boaz
William L. Berkley
Warren E. Klein
Norris M. Hardisty
Cameron L. Hogan
Gerard B. Creagh
Anselm C. Hohn
Thomas Q. Harbour
James G. Neff

Craig B. Johnson
Clarence L. Blew
Herbert G. Shepler
William P. Stephens
Jack R. George
Ferrell H. Johnson
Edward C. Kenney
John D. Foley
Garland A. Gray
Benjamin N. Ahl
Rafael A. Vilar
Charles M. Parker
James R. Sayers
William C. Baty, Jr.
Wade S. Rizk
Charles L. Ferguson
Arthur W. Eaton, Jr.
Cecil H. Coggins
William M. Silliphant
Robert W. Babione
Allan S. Chrisman
Calvin B. Galloway
Orville W. Cole
Frank P. Kreuz, Jr.
Burr Dalton
James R. Reid, Jr.
Austin J. Walter
Eugene V. Jobe
Albert H. Staderman
Paul M. Crossland
Alton C. Abernethy
Earl F. Evans
Clifford D. Hamrick
Walter H. Schwartz
Armand J. Pereyra
George N. Raines
William V. Clark
Edward T. Knowles
Harold W. Lashier
James L. Holland
George F. Blodgett
Judson A. Millsbaugh
Alfred W. Eyer
John T. Smith
Martin V. Brown
Frank J. Gillette
Joseph V. Land
Cecil L. Andrews
Oran W. Chenault
David C. Gaede
Robert A. Cooper

Cecil D. Riggs
Jerry T. Miser
Phillip S. McLennan
Edwin B. Coyl
Ralph K. Hoch
Freeman C. Harris
Thomas L. Allman
Raphael L. Weir
Edgar L. Nefflen
Otto W. Wickstrom

Sol B. Estes
Elmer L. Caveny
Gordon H. Ekblad
John A. Workman
Ernest C. Aulls
Robert C. Boyden
Robert C. Douthat
Edward P. Madden
Clifford F. Storey
Julius C. Early, Jr.

To be assistant surgeons

John F. McMullin
James B. Shuler
John F. Foertner
Gordon M. Perisho
Jerome F. Smith
Robert S. Poos
Francis L. Phillips
John L. Hatch
Charles F. Le Comte
Gordon K. Lambert
Eric D. Pearson
Walter Welham
Herbert H. Eighmy

Richard R. Rall
Thomas Ferwerda
Stephen J. Ryan
James G. Bulgrin
Emanuel Rollins
Roy R. Powell
Murray W. Ballenger
Clark P. Jeffers
Thomas P. Connelly
Marion T. Yates
Marshall Cohen
Eugene P. Harris
Harold R. Berk

To be dental surgeons

Eugene LeR. Walter
Eric G. Hoylman
Andrew L. Burleigh
Arthur H. Yando
Joseph A. Kelly
Edward A. Hyland
Robert M. Askin
Clemens V. Rault

Frederic McK. Ingersoll
Joseph Connolly
Francis R. Hittinger
Ralph B. Putnam
Robert R. Crees
Hugh E. Mauldin
Frank A. Richison
Alfred R. Harris

To be passed assistant dental surgeons

James A. Connell
Ralph W. Taylor
Glenn W. Berry
Arthur R. Logan
Macy G. Martin
Maurice A. Bliss
Merrette M. Maxwell
Jackson F. Henningsen
Clifford E. Allen
Raymond A. Lowry
Clifford C. De Ford
Lyman R. Vaughan

Charles F. Woodard
George H. Mills
Thomas E. Crowley
Jesse B. Bancroft
Edwin A. Thomas
Charles F. Hoyt
Charles F. Lynch
Curtiss W. Schantz
Francis V. Lydon
Albert E. Howell
Mack Meradith
William D. F. Stagner

To be assistant dental surgeons

William Seidel
John H. Bailey
Morris C. Craig
John C. Allen
Edward C. Raffetto
James A. English

Frank E. Frates, Jr.
Karl V. L. Berglund
Walter W. Lippold
Wendell Naish
LeRoy B. Nagel
Jesse V. Westerman

To be pay inspectors

Tucker C. Gibbs
Robert B. Huff
Malcolm G. Slarrow
Stephen J. Brune

Benjamin S. Gantz
Morton L. Ring
Vernon H. Wheeler
Louie C. English

To be paymasters

Stephen R. Edson
John Enos Wood
Matthias A. Roggenkamp
Francis M. Waldron
Edwin A. Eddiegorde
Russell H. Sullivan
Harvey E. Wathen
Henry H. Karp
George H. Williams
Richard A. Vollbrecht

Samuel E. McCarty
Robert F. Batchelder
Arthur L. Walters
Francis D. Humphrey
James Chapman
Melbourne N. Gilbert
Philip A. Haas
Christian P. Schwarz
Joseph E. Bolt

To be passed assistant paymasters

Robert L. Grove
Clinton J. Thro

William J. Nowinski
Thomas W. Baker

Walter W. Honaker
Yates Stirling, 3d
Owen T. Rippey
Bion B. Bierer, Jr.
Fred L. Haerlin, Jr.
Norman A. Helfrich
Lysle W. Cease
William A. Gerth
Mark W. Clay
Walter E. Fratzke
Murray W. Clark
Frederic W. Hesser
John C. Bernet
Frederick L. Hetter

To be assistant paymasters

Jack O. Wheat
Thomas P. O'Connell
Lamar Lee, Jr.
Byron C. Gwinn
Louie L. Lindenmayer
William B. Collier, 3d
Marcus A. Peel, Jr.

Charles G. DeKay
Vernon Dortch
James J. McKinstry
Joel D. Parks
Noble W. Lowrie
William L. Knickerbocker
Donald B. Hilton
Roland W. Rickertts
Theodore S. Dukeshire
Charles J. Naumilket
Preston G. Locke
George M. Brydon, Jr.
Theodore C. Fauntz

Elton W. Sutherland
William M. Huey, Jr.
Norbert C. Brady
John D. Hyerle
Irwin S. Moore
Leo J. McNulty

To be chaplains

Razzie W. Truitt
Francis L. Albert
Edward B. Harp, Jr.
August F. Hohl
Herbert R. Trump

John F. Hugues
Vincent J. Gorski
Michael A. Hally
Warren F. Cuthriell

To be naval constructors

William P. Robert
Russell S. Hitchcock
Sidney E. Dudley
Grover C. Klein
Frederick E. Haeberle
Edmund E. Brady, Jr.

Andrew I. McKee
Lingurn H. Burkhead
Wilbur N. Landers
Carlton H. Moore
Harold V. B. Madsen

To be assistant naval constructors

Richard K. Anderson
John G. F. Prescott
Ernest C. Holtzworth
Albert K. Romberg
Joseph E. Flynn
Ransom A. Pierce
Edward A. Wright
Richard S. Mandelkorn
Floyd B. Schultz
Charles J. Weschler
William R. Miller

Charles J. Palmer
Paul W. Pfingstag
George W. Bailey
Robert L. Evans
Robert B. Madden
Robert A. Gallagher
Jack W. Roe
James S. Bethea
Henry P. Rumble
Charles A. Curtze
Robert E. Garrels

To be civil engineers

Greer A. Duncan
Henry G. Taylor
Ira P. Griffen
Carl H. Cotter
Kendal B. Bragg
Richard F. Armknecht
Harry A. Bolles
William L. Richards

Walter T. Eckberg
Richard P. Carlson
Wallace B. Short
Harold MacT. Sylvester
William Sihler
Claire C. Seabury
William B. Howard

To be assistant civil engineers

Henry G. Clark
George K. Brodie
Arthur I. Flaherty

Ralph N. Ernest
Norman J. Drustrup

To be chief gunners

Paul M. Heller
Harry T. Prosis

To be chief electricians

Howard S. Goshorn
George C. Broadfoot
Clavis W. Durham

Carl W. Schumacher
John R. Stacey

To be chief radio electricians

Joseph S. Campbell
Elmer H. Stelts

To be chief machinists

Rudolph A. Petsche
Lawrence W. Ott

James L. Noonan
George W. Buzby

To be chief pharmacist

Francis M. Cornett

To be lieutenants

Thomas M. Whelan
Allen M. Kemper
Otho P. Smoot
Robert de C. Baker
Benjamin F. Tompkins
Halle C. Allan, Jr.
John J. Branson
Allan G. Gaden
Walter B. Davidson
Tillett S. Daniel
Harold F. Dearth
John B. Brown
Charles F. Chillingworth,
Jr.
William S. Veeder
Joseph H. Nevins, Jr.

Thomas C. Parker
Edward A. McFall
Frederick P. Williams
Phillip H. FitzGerald
Harry B. Heneberger
Andrew E. Harris
Max H. Bailey
John F. Delaney, Jr.
Hugh P. Thomson
Thomas J. Kimes
Arthur B. Thompson
Thomas J. Hickey
George P. Biggs
James V. Query, Jr.
Warren B. Sampson

MARINE CORPS

To be Major General Commandant of the Marine Corps

Brig. Gen. Thomas Holcomb

To be brigadier general

Col. James J. Meade

To be colonels

Alley D. Rorex
Leander A. Clapp
Thomas S. Clarke

Joseph C. Fegan
Alexander A. Vandegriff
Roy S. Geiger

To be lieutenant colonels

Louis R. Jones
William W. Ashurst
Francis P. Mulcahy
Robert M. Montague
Daniel E. Campbell
Maurice G. Holmes
James E. Betts
James W. Webb
Louis E. Woods

William M. Marshall
Franklin A. Hart
Adolph B. Miller
Ralph E. Davis
John L. Doxey
Clyde H. Metcalf
George A. Stowell
George C. Hamner
James F. Moriarty

To be majors

Frederick E. Stack
George W. Shearer
Claude A. Phillips
John W. Beckett
John Halla
Kenneth A. Inman
Lester N. Medaris
Frank B. Goettge
Donald G. Oglesby
Byron F. Johnson
Alfred C. Cottrell

John T. Selden
Elmer E. Hall
Henry A. Carr
Harry B. Liversedge
Merton J. Batchelder
George E. Monson
James W. Flett
William C. Hall
Arnold C. Larsen
William J. Wallace
Amor L. Sims

To be captains

LePage Cronmiller, Jr.
Ion M. Bethel
John F. Hough
Robert L. Griffin, Jr.
Archie V. Gerard
Edward L. Pugh
Lawrence Norman
Earl H. Phillips
Paul A. Putnam
Matthew C. Horner
James M. Ranck, Jr.
Presley M. Rixey
Lee N. Utz
Francis J. McQuillen
Edward W. Snedeker
Kenneth W. Benner
John S. E. Young
Kenneth H. Cornell
Arthur H. Butler
Hartnoll J. Withers
Nels H. Nelson
Russell N. Jordahl

Chester B. Graham
Benjamin F. Kaiser, Jr.
Elmer H. Salzman
Thomas A. Wornham
Thomas B. Jordan
Earle S. Davis
Roy M. Gulick
Con D. Silard
Ward E. Dickey
William D. Saunders, Jr.
David M. Shoup
Lofton R. Henderson
Walter H. Troxell
Thomas G. McFarland
John R. Lanigan
Raymond E. Hopper
Francis B. Loomis, Jr.
John H. Coffman
Robert H. McDowell
Thomas D. Marks
Wallace O. Thompson
John H. Griebel

Peter P. Schrider
James F. Shaw, Jr.
Edward T. Peters
William W. Benson
Raymond C. Scollin
Samuel S. Jack
Henry R. Paige
Robert H. Rhoads
Robert S. Viall
Ralph D. McAfee
William M. O'Brien
Frank P. Pyzick
Joseph W. Earnshaw
Walter L. J. Bayler
Marion L. Dawson, Jr.
Harold G. Newhart
Frank M. June
George H. Potter
Earl S. Piper
Robert A. Olson
Francis M. McAlister
Jack P. Juhan
Harold D. Hansen
Jesse S. Cook, Jr.
Miles S. Newton
Archie E. O'Neil
Allen C. Koonce
Alan Shapley
Jefferson G. Dreyspring
David F. O'Neill
John C. Munn
Jaime Sabater
William R. Williams
Roger T. Carleson
Frank G. Dailey
Frank H. Wirsig

To be first lieutenant

Donald W. Fuller

To be second lieutenants

Charles R. Nicholson
Stewart B. O'Neill, Jr.
Roy Robinton
Cliff Atkinson, Jr.
Charles L. Banks
William H. Barba
Alan M. Barclay
Arthur B. Barrows
Graham H. Benson
Spencer S. Berger
James G. Bishop, Jr.
Orin C. Bjornsrud
James S. Blais
Albert H. Bohne
George S. Bowman, Jr.
Robert W. Boyd
George F. Britt
Wade H. Britt, Jr.
Otis B. Brown
Jean H. Buckner
Joseph O. Butcher
William R. Campbell
Noel O. Castle
Robert Chambers, Jr.
Max C. Chapman
Stuart M. Charlesworth
Robert W. Clark
Francis H. Cooper
Henry H. Crockett
William L. Crouch
Howard L. Davis
Robert M. Dean, Jr.
John F. Dobbin
Malcolm O. Donhoo
Edward H. Drake
Charles F. Duchein

John S. Letcher
Robert B. Luckey
Karl K. Louthier
Paul Drake
Clinton E. Fox
Harold R. Lee
George O. VanOrden
Walter A. Reaves
Louis C. Plain
Robert L. Peterson
Kenneth H. Weir
Arthur F. Binney
Clovis C. Coffman
Perry O. Parmelee
John J. Heil
Max W. Schaeffer
Thomas G. Ennis
Ernest E. Pollock
Wilson T. Dodge
Boeker C. Batterton
Frank C. Croft
Saville T. Clark
Hewin O. Hammond
Lester S. Hamel
Joseph J. Tavern
Joe A. Smoak
Alva B. Lasswell
William I. Phipps
William F. Coleman
Homer C. Murray
Frank H. Schwable
Edward C. Dyer
Melvin G. Brown
Manly L. Curry
Samuel B. Griffith, 2d

Arthur P. McArthur
Henry L. McConnell
Robert C. McGlashan
George A. McKusick
Sidney S. McMath
Lee C. Merrell, Jr.
Philip C. Metzger
Ronald K. Miller
James E. Mills
Harold J. Mitchener
Thomas C. Moore, Jr.
John E. Morris
James C. Murray, Jr.
Hollis U. Mustain
James L. Neefus
Gene S. Neely
Charles S. Nichols, Jr.
Frederick R. Payne, Jr.
August F. Penzold, Jr.
Lewis H. Pickup
William J. Piper, Jr.
Douglas E. Reeve
George D. Rich
Robert H. Richard
Robert W. Rickert
Noah J. Rodeheffer
Thomas G. Roe
Lindley M. Ryan
Stephen V. Sabol
Joseph P. Sayers
DeWolf Schatzel
John F. Schoettel
Maynard C. Schultz

To be chief marine gunner

Johnnie C. Vaughan

Robert F. Scott
Charles J. Seibert, 2d
Frank Shine
Ormond R. Simpson
George T. Skinner
Everett W. Smith
John L. Smith
Levi W. Smith, Jr.
Arthur R. Stacy
John P. Stafford
Jack L. Stonebanks
David W. Stonecliffe
Robert W. Thomas
Zane Thompson, Jr.
Ellsworth G. VanOrman
Harry A. Waldorf
Lewis W. Walt
Gordon Warner
Russell B. Warye
Arthur H. Wineberger
John J. Wermuth, Jr.
Cecil W. Wight
John E. Willey
Marlowe C. Williams
Roger Willock
William T. Wingo, Jr.
Pelham B. Withers
Noah P. Wood, Jr.
Horatio C. Woodhouse, Jr.
Erma A. Wright
Donald K. Yost
Carl A. Youngdale

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 22, 1937

The House met at 12 o'clock noon.

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

Almighty God, author of life and purity, help us to lay hold of things eternal. We come to Thy feet in prayer that we may receive grace that makes for righteousness in the soul. We give Thee our hearty thanks for all our manifold blessings—so rich, so free, and so abundant. Define for us the pathway of duty and impart unto us courage to walk therein. O Lord God Most High, raging storms of destruction and ruin are sweeping over large areas of land. Arise in Thy might and stay the tragic tides of disaster, devastation, and death. Heavenly Father, turn Thou to the homeless, according to Thy loving kindness, and allow not the water floods to overflow them, neither let the deep swallow them up. Make haste to deliver them; come in all Thy fullness and have compassion upon Thine own. Through Jesus Christ our Lord. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk, Va., land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of

his secretaries, who also informed the House that on January 18, 1937, the President approved and signed a joint resolution of the House of the following title:

H. J. Res. 106. Joint resolution to exempt from the tax on admissions amounts paid for admission tickets sold by authority of the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937.

SESSIONS OF COMMITTEE ON WAYS AND MEANS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have permission to sit during the sessions of the House during this session of Congress at such times as may be deemed necessary by the committee.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ROBERTA SLEE

Mr. WARREN. Mr. Speaker, a few days ago the House passed House Resolution 49. The first name of the person to be benefited was incorrectly handed to me.

I ask unanimous consent that the proceedings by which House Resolution 49 was passed be vacated and that the resolution be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, I now offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 81

Resolved, That there shall be paid out of the contingent fund of the House to Roberta Slee, widow of Richard B. Slee, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount not to exceed \$250 to defray funeral expenses of the said Richard B. Slee.

The resolution was agreed to.

NEUTRALITY LEGISLATION

The SPEAKER. Under the special order of the House, the gentleman from Connecticut [Mr. KOPPLEMANN] is recognized for 30 minutes.

Mr. KOPPLEMANN. Mr. Speaker, today the problem of keeping the United States out of war is the concern of every American citizen. Few times in history has the question so occupied the minds of our citizens and the attention of our public press. This Congress is charged with the responsibility of formulating a neutrality program to replace the existing temporary legislation which expires on May 1. Immediate action is necessary. We must have adequate discussion for a full understanding of this problem and its relation to America.

If we are to prevent the United States from being forced into another foreign war, we must shut off the road which led us into the last one.

That is why we must revise our neutrality policy.

On January 5 I introduced H. R. 1491, which bill, if enacted into law, to my mind, will give the American people the neutrality they want.

No neutrality law, however it is framed, can prevent our taking part in a war if the issues are such that the people of this country wish to give their lives in support of one side or the other. A mandatory law, such as I propose, would, however, protect the rank and file of American citizens against being forced into war as a consequence of policies to protect financial and other interests.

It is possible, of course, that the United States would have entered the last war—as some claim that it did enter—for purely idealistic reasons. But it is also true that this Government, at the risk of war, followed policies for the protection of trade and finance that Congress had, in important instances, no opportunity to discuss, and the people no opportunity to reject or accept. These policies made inevitable our ultimate involvement in the war.

What were these policies? In addition to permitting loans and credits—

Under a long-standing neutrality policy, which, after the outbreak of the war, could not be altered, our Government permitted the sale of munitions theoretically to either side—actually only to that side which controlled the seas—in other words, the Allies.

Our Government permitted American ships to carry munitions and armed our merchant vessels.

Our Government permitted American citizens to travel on ships—ours and belligerents'—armed or carrying munitions.

These policies under modern conditions of warfare meant loss of American shipping and American lives. The old claim to neutral trade rights was based on the assumption that contraband goods were limited to supplies intended for the use of armies; that ships could be searched at sea to determine whether they carried contraband; and that passengers could be removed before the sinking of a ship. The vital part played by civilian populations in modern war extends the list of contraband goods to practically all supplies to belligerents, while the use of submarines and airplanes makes search of ships and removal of passengers impossible. Even British and American naval officers are agreed that belligerents are entitled "to prevent any neutral commerce that will aid the enemy in prosecuting the war."

Our policy in regard to loans and credits to belligerents was determined without congressional or public discussion by the President and Cabinet.

The steps by which administration policies, unknown to the people or not understood by them, brought about a situation in which our financial stake in allied victory was of decisive importance were revealed by the Nye committee and are set forth by Charles Beard in *The Devil Theory of War*.

They were as follows:

The belligerent governments found themselves unable to pay for purchases in this country with gold or with imports. The French Government sought a loan through the House of Morgan, which approached Secretary Bryan for his opinion. Bryan expressed to President Wilson the opinion that "money is the worst of all contrabands", and that if loans were made "powerful financial interests" would make it difficult to maintain neutrality. In agreement with the President, Secretary Bryan notified the Morgan interests that "loans made by American bankers to any foreign nation which is at war are inconsistent with the true spirit of neutrality."

Mr. Lansing, counselor of the State Department at this time, advised Secretary Bryan that there was no legal objection to financing such a loan. The banking interests, blocked in making loans, then sought for a way to supply credits. This time they approached Mr. Lansing, over Secretary Bryan's head, saying that they wished to stimulate the unprecedented volume of business, and, continuing, they said, "If we allow these purchases to go elsewhere, we will have neglected our foreign trade at the time of our greatest need and greatest opportunity. The business I have attempted to describe to you we deem necessary to the general good." Here was the cry for profits in preference to peace.

Mr. Lansing appealed to President Wilson. Mr. Wilson authorized Mr. Lansing, upon the express understanding that he was not speaking with the authority of the President, to give to such persons as were "entitled to hear them" the "impression" that they were free to go ahead and extend credits. In turn Mr. Lansing gave this impression to the Morgan Co.

Within a few months the Allies had stretched their short-term credits to the limit and the British pound was slipping. This meant less business for the clients of American banks. Benjamin Strong, of the New York Federal Reserve Bank, wrote Colonel House on August 14, 1915, that because of the decline in the pound there was "danger of a decrease in our export business."

The bankers again began pressing for a loan to the Allies to finance purchases in this country through Mr. Lansing, who had by that time become Secretary of State.

Mr. McAdoo, as Secretary of the Treasury, wrote the President a letter on August 21, 1915, which said:

Our prosperity is dependent upon our continued and enlarged foreign trade. We must do everything we can to assist our cus-

tomers to buy. To maintain our prosperity we must finance it, otherwise we must stop and that would be disastrous.

Again we heard the cry of profits in preference to peace.

On August 25, Secretary Lansing wrote the President, saying:

The large debts which result from purchases by belligerent governments require some method of funding these debts in this country. * * * We are face to face with what appears to be a critical economic situation, which can only be relieved apparently by the investment of American capital in foreign loans to be used in liquidating the enormous balance of trade in favor of the United States. Can we afford to let a declaration as to our conception of "the true spirit of neutrality" made in the first days of the war stand in the way of our national interests, which seem to be seriously threatened?

Now, it is no longer a mere cry for profits in preference to peace. It is a demand for them.

On August 26, the President wrote Secretary Lansing that he could convey "orally" to the bankers the opinion that the Government would take no action either for or against their making a loan to the belligerents.

Loan after loan was floated to obtain American money to pay for American goods. American financial interests now had millions at stake in the victory of the Allies. With the collapse of the Russian Government, that victory was threatened. Ambassador Page, on March 5, 1917, cabled President Wilson, describing the weak financial condition of England, and saying:

There will be almost a cessation of trans-Atlantic trade. This will, of course, cause a panic in the United States. Perhaps our going to war is the only way in which our present prominent trade position can be maintained and a panic averted.

Here we have the inevitable result of the demand for profits in preference to peace.

The business that we did with the Allies, according to the Morgan company, prior to April 1, 1917, amounted to \$7,000,000,000. The World War has cost us, up to June 30, 1935, \$41,947,000,000, and the cost is still going up.

By 1935, disclosures by the Nye committee and studies by historians as to the real situation in this country at the time of our entrance into the World War, led to a demand in Congress for a revision of our neutrality policy. The demand was intensified by the threatening situation then existing in Europe. The question was: What neutrality policy would give protection against a repetition of our entanglement in the World War?

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield?

Mr. KOPPLEMANN. I yield.

Mr. O'CONNOR of Montana. Is it not a fact that the Democratic platform provides, and is it not a fact that President Roosevelt in a speech delivered about a year ago committed the Democratic Party to the principle of peace above profits?

Mr. KOPPLEMANN. It is; and the purpose of my message to the Congress this morning is to make certain that that pronouncement by our President and the Democratic platform shall be kept.

In general, the President and State Department desired a discretionary neutrality law, leaving it to the President to decide whether embargoes should be applied; and if applied, whether they should be against one or both sides in a conflict. This would have made it possible to avoid the dangers encountered during the World War, but would not have provided certainty that those dangers would be avoided.

Congressional leaders demanded mandatory legislation requiring embargoes on arms, ammunitions, and implements of war against all belligerents. The law adopted merely embodied the mandatory principle. So far as real neutrality is concerned, so far as guarding us against the dangers of our World War experience is concerned, it was far from complete. All it did was to prohibit the sale of any form of munitions to belligerents. It prohibited American vessels from carrying weapons of war destined for belligerents. It gave the President power to prohibit travel by American citizens on vessels of belligerents.

The bill, for good reason, was regarded as unsatisfactory. Therefore it was provided with an expiration date on February 29, 1936.

By the time it became necessary to renew the law public opinion had vigorously expressed itself. A bill embodying the mandatory principle and extending the provisions of the neutrality law was submitted in Congress. It met opposition from those who wish embargoes to apply to aggressor States only and from those who wish to return to our old policy of "freedom of the seas." A legislative combat ensued. The result was another compromise and further temporary legislation which expires May 1 of this year.

The provisions of the first law were, however, extended in important respects. Not only munitions but loans and credits to belligerents were prohibited. The new law continued the prohibition against American vessels carrying munitions to belligerents and strengthened the provision in regard to travel by American citizens on vessels carrying munitions to belligerents. Also it strengthened the provision in regard to travel by American citizens on vessels of belligerents by calling upon the President to prohibit such travel whenever he should find it endangered the maintenance of peace. But it failed to provide any control for war materials other than munitions and did not prohibit American vessels from entering war zones. It also failed to make its provisions apply to countries engaged in civil war.

As I said, this present law expires on May 1, 1937. Now we must write a new law. If the new law is to offer protection against recognized dangers of entanglement in foreign wars it must embargo munitions and loans and credits to all belligerents; it must give the President power to embargo other war materials, with the provision that all embargoes shall be enforced against both sides; it must provide that American citizens retain no interest in shipments of goods after they leave our ports; it must prohibit American citizens from traveling on the vessels of belligerents; it must provide that American vessels or citizens entering war zones will not have the protection of this Government.

The provisions of the law must apply to all fighting forces whether engaged in international or civil war.

The application of the neutrality law to civil strife, after the necessary proclamation by the President, would be in line with the policy of nonintervention developed in this hemisphere. Further, in the present world situation civil war is potentially world war and cannot be treated otherwise.

The argument that the shipment of airplanes to Spain proved the necessity for discretionary neutrality legislation completely ignored the actual facts of the situation. Had the present law applied to civil as well as international war, the embargo against the sale of munitions would have prevented the shipment to Spain. It was this omission in the law that created the difficulty.

In addition to this weakness, the present law does not provide any control over war supplies other than munitions. Since the essential requirements of belligerents cover many other articles than munitions, it is necessary that the possibility of embargoing these materials exist. It is equally necessary that sales of any supplies to belligerents shall be so controlled that American citizens do not acquire a financial stake in the victory of either side.

In the question of mandatory versus discretionary legislation, there are two important questions involved.

(1) Which type of legislation will best protect this country against the events and policies which meant its entanglement in the World War?

(2) Which type of legislation is in closest accord with the constitutional grant of the war-making power of Congress?

If the President is given discretion to apply embargoes to one side only in any conflict, the World War situation will be duplicated, when, through control of the seas, the Allies alone were able to obtain supplies from this country. If application of embargoes to one side is made under the name of sanctions or collective security, the situation is, practically, the same, since it is clear that belligerents against

whom sanctions are applied will regard them as tantamount to war.

Discretionary neutrality would, therefore, amount to taking the war-making power away from Congress and giving it to the Executive.

Those who favor discretionary power for the President have attempted to interpret the Supreme Court's decision in regard to the Chaco embargo law, in which the wide discretionary powers of the President in foreign affairs were emphasized, as support for giving him greater discretion in a new neutrality law. This argument fails entirely to distinguish between the conduct of foreign affairs and the war-making power.

The application of embargoes to war supplies other than munitions calls for a certain discretion on the part of the President, since the importance of supplies will vary according to the countries involved. But while there should be discretion as to which other supplies are to be embargoed, it should be mandatory that whatever embargoes are enforced shall be enforced against all belligerents.

There is no question that any trade with belligerents, if we are to avoid the danger of war, must be carried on at the risk of the foreign purchasers, and with American shippers retaining no right or interest in articles exported.

The argument of opponents of strict neutrality legislation, that the people of this country would not tolerate the economic loss involved in the necessary curtailment of war trade, is contradicted by these facts: 90 percent of American business concerns, according to our President, accepted the mere advice, not supported by law, of the State Department, that in patriotic support of the peace interests of this country, munitions should not be shipped to Spain.

Moreover, at the annual convention of the National Grange, the farming interests of the country adopted a resolution calling for "stronger neutrality legislation to include embargoes on basic war materials", while the master of the Grange, Louis J. Taber, said in his opening address:

We must make illegal for export all munitions and raw materials that are essential to war. This will mean that agriculture must make a sacrifice, because cotton, wheat, and fats are as essential to war as are gunpowder, steel, and munitions.

Opponents of mandatory neutrality also claim that such a policy means the refusal of the United States to accept its responsibility for world peace. On the contrary, only mandatory legislation will definitely throw the influence of this country against war. By serving notice on the world that the United States can no longer be used as a base of supplies for war, we will exert pressure on all governments to find some adjustment for conflicts short of war.

From the point of view of the League, powers which might desire to apply sanctions, if it is a question of a large number of powers acting against one, their great need is to be assured that the United States will not aid or abet the aggressor. Only mandatory legislation can give them that assurance.

If the application of sanctions results, as all indications are that it would result, in a division of the world into two more or less equal hostile camps, there can be no question but that the result would be just such another conflict as the World War.

It would be senseless to say that war can be prevented by the threat that the United States will apply embargoes against aggressors only. This would be assuming, contrary to history, that a government, reduced to a desperate situation, would avoid war even at the risk of its own overthrow. It would be assuming, contrary to history, that the people of a nation would prefer permanent economic insecurity to war. If the status quo is such that it breeds war, it is up to the nations which are profiting from the status quo to initiate changes which will breed peace instead.

The World War showed clearly the difficulty of adopting a policy toward belligerents after the outbreak of a conflict. Nor should an Executive be placed, or desire to be placed, in a position where various forces will attempt to exert pressure to determine national policy in their own interest. What-

ever is done after war breaks out is bound to be regarded as unfair by one side or the other.

Temporary legislation, which may expire at a critical moment, is undesirable for the same reasons, and the new law should be enacted without any expiration date.

Mr. Speaker, the need for a clear-cut policy is immediate. I have submitted a bill, H. R. 1491, "to preserve the neutrality of the United States in armed conflicts occurring outside its territorial limits to which it is not a party and to define the obligations of citizens and nationals of the United States in respect to such conflicts."

This bill is now in the hands of the Foreign Affairs Committee of the House. I urge each and every Representative here to read carefully this measure, for I feel that this bill contains the essential elements so necessary in our foreign policy if we are desirous of making real neutrality legislation during this session. The way to peace for America lies in true neutrality. [Applause.]

CONTINUATION OF RECONSTRUCTION FINANCE CORPORATION

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 79.

The Clerk read as follows:

House Resolution 79

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 2301, a bill to continue the functions of the Reconstruction Finance Corporation, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 2½ hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. Speaker, this is a rule for the consideration of H. R. 2301, a bill to continue the functions of the Reconstruction Finance Corporation and four other agencies of the Government.

Mr. Speaker, in the hearing before the Rules Committee yesterday we called the attention of the four members of the Committee on Banking and Currency to the fact that there was an identical Senate bill which had passed the Senate and was on the Speaker's desk. We asked precisely whether or not the request was to report the House bill or the Senate bill, explaining that it would be more expeditious to report the Senate bill. We were informed by the representatives of the committee that they wanted the House bill reported. We could not understand why, but we were told it was the House bill they asked to have reported, and therefore we reported the House bill.

Of course, the expeditious way to advance the legislation would be to report the Senate bill. I have now been informed by the chairman of the Committee on Banking and Currency, who was not present at the meeting yesterday, that some error was made, and that the committee desires to offer the Senate bill.

I therefore ask unanimous consent that House Resolution 79 be amended by inserting, in line 4, "S. 415" in lieu of "H. R. 2301."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, the gentleman from New York says there is no difference between the Senate bill and the House bill?

Mr. O'CONNOR of New York. We were so informed by the members of the committee yesterday. We were informed that they were identical bills. I have not made the comparison.

Mr. MARTIN of Massachusetts. Having that information yesterday and the committee not reporting out the

Senate bill, why should the gentleman now ask the House to make the Senate bill in order?

Mr. O'CONNOR of New York. Because I have just been requested by the committee to do so.

Mr. MARTIN of Massachusetts. Does the gentleman think that is sufficient need for this exceptional procedure?

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Further reserving the right to object, Mr. Speaker, unless I can get a better explanation than has already been given, I will be obliged to object for the moment.

Mr. O'CONNOR of New York. I have been trying to explain all I know about it. I desired to report the Senate bill yesterday, but the committee was insistent on reporting the House bill.

Mr. REILLY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. REILLY. I was called to appear before the committee yesterday as the ranking member who was not under the weather at that time. I knew nothing about what the gentleman from Alabama [Mr. STEAGALL] desired. I told the chairman I knew nothing about it. Then one of the clerks in the office said that the gentleman from Alabama [Mr. STEAGALL] requested the House bill. The gentleman from Alabama said that was a mistake, that he never requested the House bill. So the committee at no time yesterday expressed a desire to have the House bill. Our statement was that we did not know what the gentleman from Alabama wanted in the way of reporting the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, I do not want to be too technical about this matter, but it indicates how in trying to hurry legislation we do not take time enough to know where we are going. While I am not going to object in this instance, I serve notice now that hereafter, when a committee comes before the House, it should know exactly what it wants to do.

Mr. STEAGALL. Mr. Speaker, I was not able to attend the meeting of the Rules Committee yesterday. I have been confined to my bed all the week until yesterday. I phoned the clerk of the Committee on Banking and Currency and told him to pass the word that the rule should provide for consideration of the Senate bill, because that bill had already passed the Senate and was identical with the House bill. I am sorry about this error. It grew out of the situation which I have mentioned.

Mr. RICH. Mr. Speaker, reserving the right to object, I may make the observation that so far as I can see the majority Members have been waiting to see what the White House wanted before they acted.

Mr. WITHROW. Mr. Speaker, reserving the right to object, would consideration of the Senate bill instead of the House bill in any way restrict the Members of the House in making amendments further than they are restricted under the rule?

Mr. O'CONNOR of New York. No; not at all. The bills are identical, and this is an open rule which permits of amendment.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, of late there has been criticism because Congress has lost a good deal of its old legislative standing. There has been criticism because we have abdicated a great deal of the power originally invested in the House. There has been criticism because we have failed to give the consideration to legislation which is essential for good government. This bill and the time given for debate justifies, in large measure, much of this criticism.

We have a bill today to continue five distinct agencies of the Government. This positively is not in the interest of good government. If any one of these agencies has proved its merit during its tenure of office, that agency ought to come here alone and on its own feet and be granted a

continuance. But the popularity of a good agency should not be made the vehicle for favorable consideration to a less worthy agency.

The minority requested in the consideration of this measure at least 3 hours of debate, but the best we could get was two hours and a half. Think of that—two hours and a half in which to consider the continuance of five important agencies of the Government. This means 15 minutes for each agency. There are 435 Members of Congress, yet we are given only 150 minutes to consider this most important legislation. We are particularly justified in our criticism of this lack of time when we realize that although Congress has been in session 14 days, only two measures have been considered. We have had plenty of time to talk about anything that might come to the imagination of the individual legislator, but when it comes to the consideration of important legislation we are refused adequate time thoroughly to discuss the details of the measure. An effort has also been made to stampede us into hasty action; demanding that this bill be passed immediately on the ground that it is necessary because the agency will expire on February 1. Everyone knows, however, that the law provides the Reconstruction Finance Corporation may continue 1 year to liquidate without any further legislation; and I believe that at the present time no new loans are being made, or at least very few loans are being made. This indicates there is no real need of haste, yet we are stampeded into passing the legislation before the Members can thoroughly digest it.

There has been a great deal of criticism because Congress has not drafted its own legislation. I rejoiced when I first looked at this bill, because I saw at the top of H. R. 2301 this sentence:

Mr. STEAGALL introduced the following bill, which was referred to the Committee on Banking and Currency.

I thought that was fine, for I knew Mr. STEAGALL to be a splendid legislator and an expert on banking and currency; I knew if he drafted the legislation it would appeal to the House. Then I happened to read a record of the hearings before the committee and came to a point where the chairman interrupted the witness, Mr. Alley, with the statement:

Let me ask you right there—I have not read this bill.

That is the record; the chairman of the committee had not read the bill. I must conclude, consequently, that the old order of the last 3 years is being continued; someone down in these bureaus writes out the legislation and brings it up to Congress asking us to O. K. it and pass it without changing the dotting of an "i" or the crossing of a "t." When I looked further at the bill I was gratified to know it was not the creation of the gentleman from Alabama. I do not believe if he drafted the measure he would have given the President of the United States the additional power granted in this bill. The bill provides if the President of the United States feels the Reconstruction Finance Corporation is making loans that he personally does not agree with he can, by an order, demand that they cease making these loans. Now, I do not believe he should have this coercive power over an agency supposed to be nonpartisan and devoted to the rehabilitation of the industrial life of the Nation.

Members of Congress who have been fighting for loans to small industry, Members of Congress who have advocated loans for the purpose of continuing poor schools, Members from the West who believe in irrigation and reclamation projects may well consider whether or not they want the President of the United States to have this additional power. Of course, the President has the power to suspend the whole organization at the present time, but he now asks for specific power to provide he may direct just how the organization shall make its loans. I would not think the House would want to give the additional authority. I do not believe the gentleman from Alabama [Mr. STEAGALL], if he drafted this legislation, would want to continue this Export and Import Authority on the evidence presented to his committee.

Mr. Speaker, this is an agency of some substantial size. It is interesting to read the hearings concerning it. On page

21 of the hearings the gentleman from Michigan [Mr. Wolcott] asked this question:

There seems to be a lot of mystery about the Export and Import Bank. I do not think there is any mystery as far as I am concerned.

Here is the reply of Mr. Jones:

They have been doing about as much business as you could do with your vest pocket.

That is the answer of Mr. Jones, of the Reconstruction Finance Corporation, who is identified with the Export and Import Bank.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. In just a moment.

They are doing only enough business to carry in your vest pocket, according to their own admission. Nevertheless, the Bureau has a president who draws a salary of \$10,000 a year. It has an examiner who draws a salary of \$6,000. It has an assistant secretary drawing a salary of \$2,700 a year. While I have never been over there, I venture the opinion they have plenty of secretaries and clerks, and I would not be at all surprised if they had two or three messengers and two or three colored gentlemen who sit outside the doors to let them know when any danger is approaching.

Mr. Jones was asked why we should continue this particular agency. He admits it is not doing anything. He admits it is not going to do anything. His reply was he wanted this power because he might need it in the future.

Mr. Speaker, I ask both the Democrats and Republicans if that is fair to the taxpayers. Do you want these expenditures to continue, with this evidence? We talk about economy. We talk about efficiency. By and by you will be cutting off someone who is on relief or some poor veteran. You will be in here talking of economizing; now, right here is an agency that is not doing anything. The Chairman admits it is not doing anything. He admits it has not done anything, yet you are going to keep it in existence at great expense to hard-pressed taxpayers.

Mr. Speaker, I now yield to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. How long has it been since the Reconstruction Finance Corporation ceased making loans?

Mr. MARTIN of Massachusetts. I could not answer the question. I think they are still making some loans. If the gentleman asks me how long has it been since they made a loan to a small manufacturer or to a small industry, I will answer that they have made precious few.

All of its efforts have been directed toward the large banks, the insurance companies, and the public utilities; but as far as actually being of service to the small manufacturers of this country is concerned, it has never contributed anything. I do not want to minimize the value of the stabilizing aid rendered, but it has failed to do what it should have done for small business.

Mr. ROBSION of Kentucky. What has the Export-Import Bank done?

Mr. MARTIN of Massachusetts. All they have done is what could be put in your vest pocket. So states Mr. Jones. I do not know how much that is.

Mr. ROBSION of Kentucky. To what extent, if at all, have the expenses of the Reconstruction Finance Corporation and the Export-Import Bank been reduced?

Mr. MARTIN of Massachusetts. I believe the gentleman is an optimist when he asks that question. I do not know of one single bureau in Washington during the last 3 years that has reduced its expenses one dollar.

Mr. ROBSION of Kentucky. If they admit they are not going ahead and are not likely to perform any service in the next year or two, it seems to me, and I refer to the Reconstruction Finance Corporation and the Export-Import Bank, that their expenses should be reduced for the benefit of the taxpayers of the country. A recent report of the Treasury shows that our deficit from July to the present time is more than \$1,500,000,000.

Mr. MARTIN of Massachusetts. The taxpayer is only remembered around election time.

Mr. BOILEAU. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. It has been my understanding that under the Reconstruction Finance Corporation law now in effect the R. F. C. may make loans only when private capital is not available. Is that the gentleman's understanding?

Mr. MARTIN of Massachusetts. That was the theory upon which the agency was established; that is, it would not make loans except when private capital was not available. It was also expected it would not make loans to a new industry which would compete with another industry of the same kind, but we found they loaned millions to create a new concern to compete with other concerns in distress.

Mr. BOILEAU. If my understanding is correct, it seems to me the proviso in section 1 is rather ridiculous, because under the law the Board cannot make loans when private capital is available. In section 1 it states that the President could authorize the Directors to suspend the exercising of this power, but it would seem to me that language is superfluous and should not be in the bill, if my understanding of the present law is correct.

Mr. MARTIN of Massachusetts. I cannot say definitely.

Mr. BOILEAU. It is confusing and does not mean anything.

Mr. MARTIN of Massachusetts. There may still be some reason for loans in some sections of the country.

Mr. PIERCE. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Oregon.

Mr. PIERCE. The statement the gentleman made that they did not make loans to small industries must be an error. There have been many thousands of dollars lent in the Pacific Northwest, particularly to the lumber industry. There was a pledge within the last week in the district of the gentleman from Oregon [Mr. Mott] involving some \$650,000.

Mr. MARTIN of Massachusetts. They made these loans in September or October?

Mr. PIERCE. No; this last one was a pledge within the last week, to my knowledge.

Mr. MARTIN of Massachusetts. I congratulate the gentleman on his influence with the organization.

Mr. DIRKSEN and Mr. MICHENER rose.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. I may say with respect to the inquiry of my friend from Wisconsin [Mr. BOILEAU] in regard to the language of the bill, the authority conferred upon the President to suspend the operations of any one of the subdivisions of the R. F. C. virtually gives him power, as a matter of practical operation, to terminate the R. F. C.

Mr. BOILEAU. If the gentleman from Massachusetts will permit, it is my understanding, although I may be in error about this, and for this reason I want some enlightenment from some member of the committee—

Mr. DIRKSEN. I am not a member of the Committee on Banking and Currency now. I was a member of that committee.

Mr. BOILEAU. I know the gentleman was a member of the committee. Under the original law, as I understand, it was not the policy at least of the R. F. C. to make loans where there was sufficient capital available for that type of loan, and it was my impression that they were not permitted under the law to make such loans. I know it is not their policy to do so, and when I was trying to assist a certain corporation to obtain a loan I was informed they could not make the loan because there was capital available for that type of loan.

Mr. DIRKSEN. It was rather in the nature of discretionary authority conferred upon the R. F. C. to be exercised in the interest of the country.

Mr. BOILEAU. I do not want to impose upon the gentleman from Massachusetts, but, if he will permit, I would like to have the matter clarified by having the chairman of the committee state what is the present law in that respect.

Mr. MARTIN of Massachusetts. I think the gentleman can explain that in his own time. I now yield to the gentleman from Michigan.

Mr. MICHENER. I simply desired to call attention to the manner in which this bill is drawn. I am not surprised when I find the chairman of the committee had never read the bill when it was before the committee. The Department drew the bill. The Department sent up instructions telling the committee how to draw the bill, what to insert and what to strike out, and the committee in its wisdom wanted to agree with what the Department said and, evidently fearing they might do something wrong if they changed it, they followed the formula and included in the bill a formula to strike out and insert, and therefore this bill, without reading the original law, is meaningless. I shall speak of this more in detail at greater length later.

Mr. MARTIN of Massachusetts. Mr. Speaker, I am going to offer an amendment to strike out the provision for the continuation of the Export-Import Bank. I admit I am not optimistic about the fate of the amendment, because I have heard it said there has been organized in the House an administration battalion of 250. I have been told this battalion is going to see the President gets everything he wants. I do not know whether this is true or not, and I find it difficult to find a good reason for its existence. Certainly it cannot be on account of the 89 Members on this side of the House. So it must be someone is afraid of some of the Democrats. I shall offer my amendment in order to give you a chance to eliminate at least one commission that is not needed, if you want to make one small, feeble gesture toward economy.

Mr. McCORMACK and Mr. MAY rose.

Mr. MARTIN of Massachusetts. I yield first to my distinguished friend from Massachusetts.

Mr. McCORMACK. Will my distinguished friend from Massachusetts advise us where he got that information?

Mr. MARTIN of Massachusetts. I may inform the gentleman I read it in the newspapers.

Mr. McCORMACK. Does the gentleman always rely on the newspapers?

Mr. MARTIN of Massachusetts. That is about the only source of information a good many of us Republicans have on such a matter.

Mr. McCORMACK. And, based on a newspaper story, the gentleman then made a definite statement?

Mr. MARTIN of Massachusetts. The gentleman did not understand what I said or he would not make that observation. I said if this report is true, then I have not much optimism as to what will be the fate of my amendment.

Mr. McCORMACK. Whether the statement is true or not, the gentleman does not know?

Mr. MARTIN of Massachusetts. Does the gentleman know whether it is true or not? Let us have it out right here.

Mr. McCORMACK. So far as the gentleman from Massachusetts who is now speaking is concerned, the first time he heard of any such thing was when the gentleman from Massachusetts [Mr. MARTIN] stated it a moment ago.

Mr. MARTIN of Massachusetts. The gentleman has been busy with the inauguration and probably has not kept up with the times. [Laughter.]

Mr. McCORMACK. I think the gentleman from Massachusetts would know something about what was going on in that respect in the House here.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Certainly.

Mr. MAY. I would like to ask the gentleman from Massachusetts, if he is going to offer an amendment to eliminate the Import-Export Bank, why he does not extend the amendment to include all four of the additional agencies, including the Electric Home and Farm Authority; and for his information I would like to tell the gentleman, if he does not know it

already, the Electric Home and Farm Authority is a corporation created by Executive order, organized under the laws of Delaware, and is engaged in the private business of peddling electric fixtures and supplies. When it gets an order from a power company it accepts the assignment of the papers without recourse on the power company, so that the power company is released and the Government holds the bag. Why does not the gentleman extend his amendment so as to eliminate all of these subsidiaries and let the R. F. C. go on as a lending institution?

Mr. MARTIN of Massachusetts. The gentleman has made a fine contribution to the debate. I stated in the beginning of my remarks I believed every one of these agencies should be brought up separately and should stand or fall on their own merits. If it is a good agency, no one ought to fear its fate in the House, which is 4 to 1 Democratic. I would certainly be willing to have this procedure, but I am not optimistic enough to think my motion would prevail.

Mr. CRAWFORD. Has the Import-Export Bank done any business at all since Mr. Peek resigned?

Mr. MARTIN of Massachusetts. I cannot say definitely about that. I am not opposed to granting this rule. It is a subject that should be considered, but I regret that we do not have ample time to debate the question thoroughly. I hope when it comes up under the 5-minute rule a spirit of patriotism will prevail in the ranks of the majority party. Let us consider each agency and the increased power to the President solely upon merit.

Mr. STEAGALL. I will suggest to the gentleman that we will be able to save a little more time if we adopt the rule now.

Mr. O'CONNOR of New York. Does the gentleman from Massachusetts want to use any more time?

Mr. MARTIN of Massachusetts. Yes; I have one other speaker.

Mr. O'CONNOR of New York. How much time, Mr. Speaker, has been used?

The SPEAKER. The gentleman from Massachusetts has 10 minutes remaining.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 10 minutes to the gentleman, from Pennsylvania [Mr. RICH].

Mr. RICH. Members of the House, we are asked to grant a rule to extend the time for the existence of the Reconstruction Finance Corporation and four other organizations. I want to call your attention to a letter sent the committee on January 15 by the Reconstruction Finance Corporation to the Chairman of the Banking and Currency Committee [Mr. STEAGALL] from Jesse H. Jones.

I read from the second page of the letter as follows:

Our policy for the past year or more has been to assist and encourage applicants in getting their loans from private sources where possible rather than by making them ourselves. The fact that we are in a position to make the loans enables us to do this, in many cases.

We are liquidating as rapidly as is consistent with the best interests of our borrowers, and the best interest of the country.

The Chairman of the Reconstruction Finance Corporation states that they are trying to have the people of the country borrow from the banks as they are trying to liquidate. Now, somebody from somewhere has sent in a new request that we continue the Reconstruction Finance Corporation for 2½ years, one-half year after the expiration of this Congress. Why do they want this extension of time? No reason has been given for such an extension. How many applications have they before them? Who wants to borrow, and how much do they want to borrow? Let them furnish this information.

Let me read what the investigating committee for consolidation and organization of the Government agencies in the last Senate states. This comes from that excellent committee on the other side of the Capitol. This investigation reveals this fact. I will only read one or two sentences:

We as Members of Congress, are trustees for the taxpayers' dollars and our obligation is to make it buy the fullest value.

The manifold activities of Government must be systematized and directed with maximum efficiency.

No essential agency should be starved, but saving should be found in consolidation and simplification.

Now, this Senate investigating committee reveals to Members of Congress that there are 24 lending agencies in the Government.

I heard a prominent man on the Democratic side of this House of Representatives say yesterday that we have too many organizations in our Government, and that we should simplify the Government agencies. I say to you gentlemen of Congress that if you do not simplify the agencies of the Government, your responsibility is to this extent that because this Congress does not act, you are going to wreck the Government. You admit it but you will not act. I do not say that because I want to say anything detrimental to Congress, but the responsibility is upon the Congress now to simplify the agencies of government. Yet we come in here, and from some unknown source, or at least it has not been revealed by the majority, we have presented to us a request to extend the time of these various Government agencies for 2½ years. What right have we to do it? What is the actual need? I want somebody on the Democratic side of the House to explain to me why and for what reason we have requests from Government institutions or departments in this country demanding that we continue the R. F. C. for 2½ years, when the Chairman of that institution, Mr. Jesse Jones, says that they are trying to liquidate it now. If that is the case, we do not need to keep the R. F. C. and these four other agencies in operation. We can very well turn them over to some of those other agencies and let them liquidate in an orderly procedure and do away with much of our Government overhead and duplication spoken of in the Senate investigation committee.

I know that 2 or 3 years ago I went to the R. F. C. and tried to get them to loan money to a small corporation and I never worked harder in my life to get \$3,500 than I did for that concern in my district. The \$3,500 would have been a revolving fund to employ 60 men for a year or more. The agent of the R. F. C. said they ought to grant the loan, but when the time came to grant it the directors would not do it. I did everything but guarantee that loan or make it myself. That is what the R. F. C. does for the little fellow. They just do not grant loans to the little fellow and today the big fellow does not need the R. F. C.; he can get the loans from the banks.

Somebody said on the floor that they just loaned \$600,000 to a lumber company in his State. The banks of this country have lots of money, and the fellow that can put up security enough to get a loan from the R. F. C. can get a loan from the banks. They want to loan their money, and it is not difficult for a concern that has proper security to get money at 2½ and 3 percent.

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield?

Mr. RICH. I cannot yield; I have not the time. The only reason that I can find that we want a continuation of the R. F. C. is because, as I understand it, the Chairman, Mr. Jesse Jones, wants to run for President in 1940, and if he has this organization, he can build up a machine that may help him get there. Remember that Jesse Jones comes from Texas. You know when those fellows down there in Texas want to put something across, they generally do it. I heard a man from Texas say that he was 200 percent for a certain fellow, and they just took a certain place, an important post in this House, away from New York and sent it down to Texas, and I am getting to be in the position of wanting to know whether Texas is going to be a part of the United States or whether the United States is going to be a part of Texas. That is the thing that is in my mind. A few years ago we had a colleague from Texas who sat in the House of Representatives, about 1930, and he was from Texas. He said, "When the other fellow gets a ham, we will get a hog", and it pretty well looks as if that is what is going on, because they have the Vice President, and then I understand they want the President in 1940, so they can properly celebrate in 1941 the 100 years of Texas admission to the Union. They want the President and the Vice President, and Mr. Speaker, I suggest that one ought not to be too sure but what they will

have the Speaker of the House of Representatives as well. Texas has the chairman of the Committee on Agriculture. Texas has the chairman of the Committee on Appropriations. Texas has the chairman of Elections No. 1 Committee. Texas had the chairman of Interstate and Foreign Commerce. Texas has the chairman of the Judiciary Committee. Texas has the chairman of Public Buildings and Grounds Committee. Texas has the chairman of the Rivers and Harbors Committee. Texas has the chairman of Special Committee of Investigation of American Retail Federation and Trade Practices. Texas has the chairman of the Select Committee to Investigate the Executive Agencies of the Government.

The great question is, Are we going to build the Capital of the United States in Texas, and if so, will New York be a county of Texas, will Pennsylvania be a county of Texas or will Texas still be a part of the United States?

I do not think one State should take all the national honors. What right had the Democratic Party to give the House majority leader to Texas, when the person in line for the honor came from New York State? Mr. Speaker, let me show you in another way what I mean. See what the New Deal campaign committee of Texas said about that State receiving \$1,000,000,000 from the Federal Government through the N. E. C.; and I quote:

When this fund of \$1,000,000,000 sent to Texas is analyzed, compared, and contrasted, it presents an unusual picture. For instance, the Roosevelt-Garner administration gave to Texas 4,000 times the amount sought as a campaign contribution in this State, which is only \$250,000. Expressed in another way, Texas is asked to give but one-fortieth of 1 percent of the \$1,000,000,000 toward the campaign war chest. Again, it means \$167 per capita, that sum going to every man, woman, and child in Texas. Another side of the picture, the Washington government gave to Texas 10 times the total annual expenditures of the State government, for, in round numbers, the State government costs \$100,000,000 a year.

Now, gentlemen, is not that something for the people of Texas to gloat over?

Spoils for Texas and taxes for New York; spoils for Texas and taxes for Pennsylvania; spoils for Texas and taxes for Illinois. Well, it looks to me as if all Northern States will have taxes and some Southern States will have the spoils. I call it selfishness.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 415) to continue the functions of the Reconstruction Finance Corporation, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 415, with Mr. COOPER in the chair.

The Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, until the close of business on June 30, 1939, the Reconstruction Finance Corporation is hereby authorized to continue to perform all functions which it is authorized to perform under law, and the liquidation and winding up of the Corporation's affairs as provided for by section 13 of the Reconstruction Finance Corporation Act, as amended, are hereby postponed during the period that functions of the Corporation are continued pursuant to this Act: *Provided,* That in order to facilitate the withdrawal of the credit activities of the Corporation when from time to time during such period the President finds, upon a report of the Board of Directors of the Corporation or otherwise, that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the directors to suspend the exercise by the Corporation of any such lending authority for such time or times as he may deem advisable.

Sec. 2. (a) Section 7 of the act approved January 31, 1935 (Public, No. 1, 74th Cong.), is hereby amended by striking from the first sentence thereof "April 1, 1937" and inserting in lieu thereof "the close of business on June 30, 1939"; section 1 of the act approved March 31, 1936 (Public, No. 484, 74th Cong.), is hereby amended by striking from the first sentence thereof "February 1, 1937" and inserting in lieu thereof "the close of business on June 30, 1939"; section 9 of the act approved January 31, 1935 (Public,

No. 1, 74th Cong.), is hereby amended by striking from the first sentence thereof "June 16, 1937" and inserting in lieu thereof "the close of business on June 30, 1939."

(b) The agencies referred to in the acts referred to in subdivision (a) of this section, and the R. F. C. Mortgage Co., shall be deemed to be established by or pursuant to law within the meaning of section 7 (a) of the First Deficiency Appropriation Act, fiscal year 1936.

Mr. STEAGALL. Mr. Chairman, I shall occupy only a brief time of the House. There is nothing in this legislation that is new. In fact, everything proposed in this measure has been passed upon by both Houses of Congress and has received the approval of the President. The only thing that is attempted is to extend until the end of the fiscal year 1939 the functions and powers now reposed in the Reconstruction Finance Corporation. In passing, I wish to say for myself, and I am sure I speak the general views of many Members of the House, that the accomplishments of this agency of the Government, established as it was to aid in meeting the problems arising out of the distress of the period of depression, have been gratifying in a most unusual degree.

It seems almost more than could have been anticipated that the services of this Corporation should have afforded the relief that has been accomplished by its operation. Certainly it is most gratifying that the Corporation should have been conducted with such success in the matter of relief afforded, and with a record that will show profits in large sums accruing to the Government as a result of the operations of the Corporation.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. STEAGALL. Certainly.

Mr. SNELL. Did I understand the gentleman to say that all we are doing at the present time with this legislation is to extend the present operations of the Reconstruction Finance Corporation?

Mr. STEAGALL. The present powers now reposed in the Reconstruction Finance Corporation for the period of time suggested; yes, sir.

Mr. SNELL. It seems to me that the last part of section 1 of the bill gives additional powers to the President which he did not have under the provisions of the original bill.

Mr. STEAGALL. Let me say to the gentleman, I think he will hardly find that my statement was inaccurate.

Mr. SNELL. That part of the bill seems rather important. It may be that my understanding was inaccurate.

Mr. STEAGALL. Under the present law the President of the United States is clothed with blanket authority to terminate the activities of the Corporation at any time.

Mr. SNELL. I understand that.

Mr. STEAGALL. Under the bill now before the House there is a limitation on that power of the President. So that the statement I have just made, if erroneous at all, was erroneous in the opposite sense to that which the gentleman from New York seems to have understood.

Under the present law there is blanket authority that the President, at his own will, may terminate the activities of the Corporation. Under the bill now before the House we have limited that authority. I will read the language, which is more accurate than any language I could employ in stating it:

When from time to time during such period the President finds, upon a report of the board of directors of the Corporation or otherwise, that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the directors to suspend the exercise by the Corporation of any such lending authority for such time or times as he may deem advisable.

Instead of conferring unlimited, blanket authority, as under existing law, the present bill seeks to impose limitations upon the President in the exercise of that authority; limitations that require the fulfillment of the legislative purpose, in that the President may not authorize termination of the activities of the Corporation except upon ascertainment of the fact that sufficiently available credit from private sources to meet legitimate demands upon fair terms

and rates is available. So that there is no enlargement of the President's power; but rather, a limitation.

Mr. SNELL. As I understand that language it gives the President additional power to suspend from time to time, and then he can put back into operation any one of these smaller activities of the Reconstruction Finance Corporation, whereas under the old law the only thing the President was given power to do was to terminate the whole matter. I think this is additional power instead of a limitation. Reading your own questions in the hearing, it says that this gives the President the power to make the lending policy of the Board.

Mr. STEAGALL. If the gentleman attempts to quote from anything I had to say, I have no recollection of a statement like that. I do not so understand the matter. However, let me say to the gentleman there has been a question in the minds of well-informed lawyers as to the validity of an enactment by Congress conferring simple blanket authority upon an Executive or any department of the Government to terminate or put an end to legislation.

Mr. SNELL. That is not quite the point I was trying to get at.

Mr. STEAGALL. This legislation attempts to meet that difficulty. It is contended by good lawyers that such difficulty does exist. This legislation attempts to meet it by requiring the ascertainment of facts contemplated by the legislative branch of the Government; so that under the bill now before the House, instead of giving to the Executive the power in his own right to say whether or not the Corporation should cease to function, the legislative branch of the Government gives specific direction to the Chief Executive to authorize termination of the functions of the Corporation only upon ascertainment of the facts which, in the legislative mind, constitute sufficient predicate for that action.

Mr. SNELL. I am not arguing with the gentleman about the constitutionality of the legislation. I simply claim that from the questions asked by members of his committee, by this legislation you are giving additional powers to the President which he did not have before. He did not have anything to do with the policy of these lending agencies. The only power he had was to terminate them. According to the questions that were asked in the gentleman's committee, he has additional power, under this act, relative to the policy of the lending agency.

Mr. STEAGALL. I do not see how it can be contended that the authority conferred upon the Executive by this act gives him any more power to direct the policies of the Corporation in the matter of loans to be made than he could have had under the blanket authority which permitted him to cut off the head of the Corporation any time he might see fit.

Mr. SNELL. Under the original act, the President had no power to suspend from time to time one of these lesser agencies, had he?

Mr. STEAGALL. He had no express power to suspend from time to time.

Mr. SNELL. Under this act he has the power to suspend activities for 1 month or 2 months, according as he may find the facts, of any one of these lesser agencies or activities.

Mr. STEAGALL. Provided he ascertains the facts to exist, upon which the legislative branch of the Government says that action should be determined.

Mr. SNELL. He did not have that power before, did he?

Mr. STEAGALL. I think the gentleman's question may very well be answered either "yes" or "no." As a matter of fact, he had all the authority that is now conferred, if not more.

Mr. SNELL. But under the act setting up the Reconstruction Finance Corporation the only authority the President had was to terminate the whole activity.

Mr. STEAGALL. That is all; he could not terminate part of it.

Mr. SNELL. Under the provisions of the pending bill he can terminate part of it. I claim this is an added power given to the President.

Mr. STEAGALL. I do not so consider it.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. MAY. I voted for the original Reconstruction Finance Corporation Act. I think the Reconstruction Finance Corporation has been a great organization, and I would like to vote for the continuance of this Corporation naked, as it was when we created it. I do not like to vote for it with a lot of other agencies in its coat pockets.

As I understand, these other four agencies, the Commodity Credit Corporation, the Electric Home and Farm Authority, the Reconstruction Finance Corporation Mortgage Co., and the export bank were all created separately from the Reconstruction Finance Corporation by Executive orders of the President and incorporated under the laws of Delaware or the District of Columbia, as the case may have been. The last sentence of the bill, subsection (b) of section 2, contains this language:

The agencies referred to in the acts referred to in subdivision (a) of this section, and the RFC Mortgage Co., shall be deemed to be established by or pursuant to law within the meaning of section 7 (a) of the First Deficiency Appropriation Act, fiscal year 1936.

Why does not that expression in this legislation give congressional or legislative authority to these four agencies and continue them as creatures of the Congress instead of creatures of Executive order or as private corporations?

Mr. STEAGALL. Unquestionably, the legislation carries forward the existence of these corporations and with the relationship they now bear to the Reconstruction Finance Corporation.

Mr. MAY. They are merely agencies, or loopholes, through which the R. F. C. is lending money; is that the idea?

Mr. STEAGALL. It may be expressed that way.

Mr. MAY. Why does not the R. F. C. lend the money directly on its own initiative without the use of these agencies?

Mr. REILLY. Because Congress authorized them to establish agencies.

Mr. MAY. And then they are established by Executive order rather than by act of Congress.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. BOILEAU. I ask the chairman of the committee for information. Is it not a fact that under existing law, if the R. F. C. Board finds that there is credit available in the community, or credit available for the type of loan sought, that this Corporation is authorized to refuse the loan? Is not the purpose of the R. F. C. to make loans only where private capital is not available?

Mr. STEAGALL. I do not think that particular language was included in the original R. F. C. Act. It was included in the provision for loans to industry. If it had not been included, of course, the same rule would have been applied in the nature of things, for that is the only common-sense way in which to handle it.

Mr. BOILEAU. At any rate, under present law, should the Board find that credit is available, they are authorized to refuse the loan, are they not?

Mr. STEAGALL. They are authorized to do that anyhow.

Mr. BOILEAU. That is the point I am trying to make. With that understanding, why is this language necessary?—

When from time to time during such period the President finds, upon a report of the board of directors of the Corporation or otherwise, that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the directors to suspend the exercise by the Corporation of any such lending authority for such time or times as he may deem advisable.

In other words, it does not direct the Board to cease the granting of loans; it empowers the President under certain conditions to authorize the R. F. C. to suspend making this type of loan. In other words, he can authorize them to refuse to make the same kind of loans they are now authorized to refuse to make. I cannot see what purpose is to be served by this language in the pending bill.

Mr. STEAGALL. It is not desirable that we set up a governmental board or agency with authority to engage in certain lines of business, and clothe that board with authority or to confer upon the board the right by arbitrary judgment to terminate a function of government established by Congress.

Mr. BOILEAU. The language of the pending bill would empower the President to authorize the directors to suspend certain of its functions.

Mr. STEAGALL. I do not agree with the gentleman's viewpoint.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. FORD of California. Perhaps I can offer a suggestion to the gentleman from Wisconsin.

Mr. BOILEAU. I should be pleased to have it.

Mr. FORD of California. Under this authorization to suspend any of the different classes of loans, the purpose back of it is probably this, that once an order to suspend is authorized, the Corporation will no longer have to engage in the long and expensive routine of examining that class of loan. When request for a loan of that character came up heretofore, the Corporation was obliged to examine the loan and in the end did not make the loan. If the Corporation is authorized to suspend loans to these various types of loan—we do not know that any will be suspended, but if they should be suspended it would greatly curtail the trouble and expense of the Board.

Mr. BOILEAU. The language does not read that they are authorized and directed; it reads merely "authorized." I am wondering if it has the same effect as the words "authorized and directed"?

Mr. STEAGALL. Undoubtedly it is going to have the same effect. It is quite possible that there has not been the most lawyerlike use of language, but the practical situation is the same. It will work out easily and with the same results. If the President authorized the Board to terminate loans to any class of borrowers the Board would do so, just as though the language read "authorized and directed."

Mr. BOILEAU. The point is that under this language the same authority will be vested in the Board which they now exercise. They now have authority under these same conditions to refuse this type of loan. We are merely giving the President the power to authorize them to do the thing we are now authorized to do. It seems to me the language is very clear.

Mr. STEAGALL. I have already stated to the gentleman that the limitation that loans were to be made only when it was found that funds through other channels were not available, has not been employed except in the instance of loans to industry. That is an answer to the suggestion of the gentleman.

Mr. BOILEAU. I know there have been loans turned down for that same purpose, because I have had them turned down in my district.

Mr. KNUTSON. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I have not had an opportunity to read the hearings. I am wondering whether they have been printed?

Mr. STEAGALL. Yes; they are in print.

Mr. KNUTSON. We are busy in our committee at the present time.

Mr. STEAGALL. The gentleman may read the hearings. He will find them interesting.

Mr. KNUTSON. I am sure I will and I shall. I read in a paper a while ago that the R. F. C. had advanced \$4,000,000 to establish a kraft paper industry down in Arkansas when the kraft paper mills all over the country were complaining that the field was already full and that the production was more than enough to take care of the present consumption.

Has the gentleman any information in reference to that matter?

Mr. STEAGALL. Of course, my friend attempts to point out one single transaction of this Corporation out of the billions of dollars of business that has been done by the Corporation, and the gentleman predicates his question upon newspaper reports which I have not read and with reference to a detail with which I am not familiar, as the gentleman must understand.

Mr. MOTT. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Oregon.

Mr. MOTT. For my own information I would like to get a little further light on the point raised by the minority leader. May I ask the gentleman if the language of the original act giving blanket authority to the President to suspend or terminate the operations of this Corporation is repealed by any language in the pending bill?

Mr. STEAGALL. I imagine the authority perhaps would still exist. That would be a matter of legal construction. But in any event, I do not understand we have enlarged the powers of the President when we say he may exercise this power as to a certain class of borrowers without having to exercise it as to all classes of borrowers eligible for loans.

Mr. MOTT. The point of my question is, if the authority given by the original act is not repealed by this act, then that authority would still exist, notwithstanding the enactment of this bill.

Mr. STEAGALL. As I have previously stated to the gentleman from New York, one reason for the employment of language used in the present act is to meet a possible difficulty involved in a legislative attempt to confer blanket authority upon the President to terminate a Government agency at his own will.

Mr. MOTT. I think I see the gentleman's point. But if that is the case, why not repeal in this act the blanket authority given in the original act to terminate this Corporation and simply retain the authority that may be given in the pending legislation?

Mr. STEAGALL. I do not think this provision automatically repeals it. It is the opinion of good lawyers the original provision is not binding anyway.

Mr. MOTT. Does the gentleman think that blanket authority ought to be repealed or retained?

Mr. STEAGALL. I think the present language is what has always been employed because this language is designed to restrict the President to such action as carries out the will of the Congress and surely Members of Congress should not object to this method of assuring the integrity of the legislative intent.

Mr. MOTT. Why not content ourselves with the authority given in the other act?

Mr. STEAGALL. I think that is a repetition of a question already asked.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Michigan.

Mr. DONDERO. Could the directors of the R. F. C. suspend credit to any class of borrowers under the language of section 1 without an order from the President of the United States so to do?

Mr. STEAGALL. That is not the purpose of the legislation and I cannot see how it could be so construed.

Mr. DONDERO. That would practically place in his hands the power to decide the policies of the R. F. C.

Mr. STEAGALL. It might be said he has that power when the act gives the President authority to name the Board.

Mr. DONDERO. Would the gentleman be willing to agree to an amendment striking out the word "suspend" and place in lieu thereof the word "terminate"?

Mr. STEAGALL. I could not agree to any change in the bill. There are many reasons for my inability to meet that suggestion.

Mr. Chairman, I am not going to consume much more time. I desire to conclude without yielding for further questions.

Mr. Chairman, so far as the Mortgage Co. is concerned, the authority does not terminate except as the Corporation terminates. It is not in the same class in that regard as is the case with reference to the Export-Import Bank, the Electric Home and Farm Authority, the Commodity Credit Corporation, and others.

I am sure that the Members of the House, especially those who represent agricultural constituencies, appreciate the great importance of continuing the support that has been given heretofore to the Commodity Credit Corporation. I call the attention of the Members of the House to the importance of the work that has been so carefully conducted by the Commodity Credit Corporation.

This Corporation makes loans upon the security of agricultural commodities for the purpose of financing the carrying and orderly marketing of such commodities. Its policy has been to make loans only on such commodities as are designated by the President. Loans have been made on cotton, corn, tobacco, and gum rosin, and gum turpentine.

Commodity Credit Corporation was originally created as an emergency agency under the laws of the State of Delaware pursuant to Executive order of the President dated October 16, 1933. The original capital of \$3,000,000 was subscribed and is held jointly by the Secretary of Agriculture and the Governor of the Farm Credit Administration for the use and benefit of the United States. By the act of January 31, 1935, its functions were extended to April 1, 1937, or such earlier date as the President might fix by Executive order. Pursuant to a joint resolution of April 10, 1936, its capital was increased to \$100,000,000, the additional capital stock being purchased by the Reconstruction Finance Corporation.

An extension of its functions is deemed necessary in order to permit the orderly liquidation of the pledged commodities now held by the Corporation and to preserve an agency for the making of loans of the character mentioned above.

Commodity Credit Corporation, since its organization, has made approximately the number of loans listed below in the approximate amounts shown below:

Type of borrower	Total number of loans	Aggregate amount
Cotton growers.....	1,833,067	\$392,105,294.86
Corn farmers.....	244,519	145,537,175.44
Producers of turpentine and rosin.....	7,500	7,123,511.21
Tobacco cooperative associations.....		8,251,615.10
Producers' pool.....		51,415,841.82
Total.....	2,085,086	604,433,438.43

The total amount of loans outstanding as of December 31, 1936, amounted to \$212,727,596.28.

The Electric Home and Farm Authority has aided in the purchase of electrical appliances on behalf of people who were unable to pay cash. The Authority has worked in cooperation with manufacturers, dealers, and the utilities. It has rendered a great service, not alone in the matter of direct aid extended but indirectly in the matter of interest rates and in the matter of the utility rates, which have been reduced.

Eighteen thousand nine hundred and seventy loans have been made, with an average of \$160, involving an aggregate amount of \$3,028,666. There have been no losses, and our advice is that there is practically no delinquent paper. Over 2,000 loans, involving over \$1,463,000, have been repaid.

The Electric Home and Farm Authority is an integral part of the Government's low rate, high volume power policy, and an essential part of it. It is helpful in the matter of utility charges and in interest rates charged to borrowers and has resulted in enlarged use of electrical household appliances.

The R. F. C. has not made any loans to the Electric Home and Farm Authority. I believe the record shows they have made no loans whatever. They have been ready to do so and have made committals for loans, but the fact that the R. F. C. stands back of this Authority enables the Authority to obtain credit through regular channels, and withdrawal of the sup-

port of the Reconstruction Finance Corporation would certainly cripple the Authority very seriously in its operations.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes; for a question.

Mr. MAY. Does not the Electric Home and Farm Authority get its money direct from the R. F. C.?

Mr. STEAGALL. No; the Electric Home and Farm Authority was set up out of a fund that was supplied out of a \$100,000,000 fund which the Congress placed at the disposal of the Executive in connection with N. R. A. activities, as I recall, and I think the amount is \$8,500,000, which they have employed up to this time.

Mr. MAY. I may say for the information of the gentleman that it appeared last year in the Military Affairs Committee hearings that the R. F. C. had made an authorization to the Electric Home and Farm Authority of \$10,000,000.

Mr. STEAGALL. I just stated that the R. F. C.—

Mr. MAY. Just a moment; I am not through with my statement. It was testified by the directors of the Tennessee Valley Authority, who are likewise the directors of the Electric Home and Farm Authority, that they did have this credit with the R. F. C.

Mr. STEAGALL. I thought I stated that the R. F. C. had made commitments to the Electric Home and Farm Authority for loans, but the actual loans had not been made and that in large part desired results have been accomplished without the use of the funds of the corporation.

Mr. MAY. Did the gentleman ascertain, or attempt to ascertain, in the hearings before his committee, whether or not the Electric Home and Farm Authority, when they go out to sell appliances through an agency, the agency or the dealer takes a note and assigns that note to the Electric Home and Farm Authority and gets the money from it without recourse on the dealer?

Mr. STEAGALL. Just the opposite is the fact. The Electric Home and Farm Authority only protects the loan to the amount of 80 percent, and they require the endorsement of the dealer along with the purchaser, and the loan is likewise secured by chattel mortgage rights covering the property sold.

Mr. MAY. I have undertaken since early last week to get a statement from the Electric Home and Farm Authority and the R. F. C. with respect to the annual report of that concern, and I have been unable to get it. Can the gentleman tell me where I can get the information?

Mr. STEAGALL. If the gentleman will call at my office, I think I can give him a report that will contain all the information he has in mind. It has been supplied to the Banking and Currency Committee.

Mr. HILL of Alabama. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Alabama.

Mr. HILL of Alabama. I simply wish to say that the gentleman from Alabama [Mr. STEAGALL] has correctly given the facts. The Electric Home and Farm Authority has not received one dollar from the R. F. C. It is borrowing today, without any difficulty whatever, from private banks at very low rates of interest. At times it has been getting money for three-fourths of 1 percent.

Mr. STEAGALL. All of which is quite true, but might not be true if the Authority did not have the support of the R. F. C., ready to come to its aid in case of necessity.

Mr. COX. May I say to the gentleman also that the R. F. C. gave the authority or the commitment for \$10,000,000, but it has not used any part of the commitment.

Mr. STEAGALL. That is true. I thought I had so stated.

Mr. COX. And may I make the further observation that there is evidently no ambition on the part of this Authority to develop into one of any very considerable size. The chief virtue of its activity is the influence it has had upon interest rates on installment transactions.

Mr. STEAGALL. Undoubtedly, that is one important advantage.

Mr. COX. And this has been most helpful.

Mr. STEAGALL. And that is true of many of the activities of the Reconstruction Finance Corporation. The Reconstruction Finance Corporation in many instances makes

commitments for loans which they are never required to make. As soon as it develops that the applicant can get necessary accommodations at the R. F. C. a bank comes along and takes over the loan, and the best service that the R. F. C. is rendering the country now is in being able to bring about normal accommodations on the part of lending institutions and banks, due to the fact that the Corporation stands by ready to take care of any difficulties that may arise.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Mississippi.

Mr. RANKIN. I want to correct the gentleman from Kentucky [Mr. MAY], who stated a moment ago that the Electric Home and Farm Authority goes out and sells these appliances. The Electric Home and Farm Authority only finances the dealer who sells these appliances and takes the notes which the dealer endorses with recourse.

Mr. STEAGALL. Yes.

Mr. RANKIN. And it is one of the best agencies of this Government.

Mr. STEAGALL. Now, as to the Export Bank, it has extended 90-day credits in connection with the export of agricultural products, especially cotton and tobacco, where such facilities were not available through private financial institutions; and where conditions make longer credits essential or desirable, the bank has provided them. Such short-term accommodations have usually been arranged by appointing the exporter's own bank as agent to accept and discount drafts of the foreign purchasers or banks for and on behalf of the Export-Import Bank. This procedure is in line with the general policy of supplementing rather than competing with the activities of commercial banks and has the added virtue of maintaining established trade channels.

It is believed that this particular type of business can be greatly expanded to the substantial benefit of the Nation's domestic economy.

Second, the bank has extended credit directly to American firms desiring to export industrial products, particularly heavy machinery and railway equipment. Until recently the durable-goods industries have exhibited a high percentage of unemployment, and, while there is a wide demand abroad for their products, competition from foreign sources has been very keen.

The practice of the bank has been to offer credit terms in specific cases approaching those available to foreign competitors, which usually run from 1 to 5 years; and in some cases the bank has agreed to assume a portion of the risk without recourse to the American manufacturer or exporter. These transactions have usually been accomplished through the purchase by the bank of the obligations of the foreign purchaser, representing up to 50 percent of the credit extended such purchaser by the American seller. In exceptional cases the bank has increased its participation up to 65 percent of the credit so extended.

Third, the bank has approved loans to American exporters whose working capital has been reduced because of the failure of foreign governments to provide their own nationals with sufficient exchange to permit them to meet their dollar obligations. Advances of this character are only made against the guaranty of the foreign government concerned or of a responsible foreign bank, or both. In these situations recourse for the full amount is retained against the American exporter concerned.

In addition to the foregoing, obligations arising from foreign commercial transactions held by other governmental agencies have been consolidated in the bank. Thus the bank has purchased during the past year from Reconstruction Finance Corporation and Farm Credit Administration certain promissory notes of the Republic of China arising from the sale of cotton, wheat, and flour to China prior to the organization of the bank. Likewise, certain judgments against the Republic of Cuba, held by the Bureau of Internal Revenue, have been assigned to the bank for collection.

Other transactions which do not fall within the classifications mentioned are the loans to the Republic of Cuba to finance the purchase of silver bullion and the minting thereof

into standard Cuban pesos. The two banks have financed four transactions involving the advance of approximately \$20,600,000 and the minting of 50,000,000 standard Cuban pesos. The last transaction, involving 20,000,000 pesos, is now about one-half completed. Payment is made by the Republic of Cuba against the delivery of pesos in Habana.

Attached hereto, marked "Exhibit A", is a table setting forth the activities of the export-import banks since their creation through December 31, 1936. During the year 1936 there was a substantial increase in disbursements. While this is due in large part to the acquisition of the notes of the Republic of China formerly held by the Reconstruction Finance Corporation and the Farm Credit Administration, it also reflects the establishment of definite lending policies. In other words, during the years 1934 and 1935 many of the authorizations were on a more or less experimental basis, and the terms of the commitments were often such that the applicants could not utilize them. Experience and a better knowledge of the needs of the American exporter and importer have greatly improved the administration of the activities of the bank with the result that it is now in position to furnish, and is furnishing, prompt and valuable assistance in our foreign-trade field.

Loans authorized by the two export banks since their creation may be classified as of the close of business on December 31, 1936, as follows:

a. Agricultural exports:	
Authorizations	\$26,723,646
Disbursements (including amounts advanced under agency agreements)	17,457,613
Repayments	1,630,597
b. Industrial exports:	
Authorizations	37,650,808
Disbursements	238,764
Repayments	65,142
c. Other credits:	
Authorizations	48,353,559
Disbursements	17,446,867
Repayments	15,874,877

The bank has approved loans to finance the shipment of American goods or products to Argentina, Austria, Canada, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Germany, Hungary, India, Latvia, Mexico, Nicaragua, Norway, Poland, Paraguay, Spain, Straits Settlements, Turkey, Uruguay, Venezuela, and Yugoslavia. Generally proposals to finance the exportation of industrial products concern Mexico, South America, and the Far East, while those concerning agricultural exports relate to Europe and, to a lesser extent, China.

The bank stands ready to meet the requirements arising out of development that cannot always be anticipated and provided against specifically.

The usefulness of the bank should be enlarged. Its authority should not be terminated right now, with the injury to export business of the country which we so much desire to promote.

A good deal has been said about loans to industry. Undoubtedly some gentlemen who have spoken are not familiar with the facts. They seem not to know that up to January 15, 1937, the R. F. C. approved of loans in the amount of \$169,739,000. Of this amount, \$53,000,000 was withdrawn and canceled because loans were obtained elsewhere. This certainly refutes statements that the Corporation has not carried out this provision of law.

Mr. FISH. Will the gentleman yield?

Mr. STEAGALL. I beg the gentleman's pardon. I have now used more time than I thought I would consume and must yield the floor in order that other Members may have time to speak.

Mr. Chairman, I reserve the balance of my time.

Mr. WOLCOTT. Mr. Chairman, I yield to myself 15 minutes.

Mr. Chairman, if this bill had been presented to us, as we had a right to assume it would be, as a simple bill to extend the activities of the R. F. C. to June 30, 1939, it would not have taken the committee more than 10 minutes to have convinced this House of the desirability of doing so.

Unfortunately this bill has taken the form that so many bills take when presented to us. It is complicated by such a

diversity of subjects that it is almost impossible in the time allotted to us to discuss any of them to the extent that a Member has an intelligent understanding of what he is doing.

Section 1 of this bill not only provides for the extension of the activities of the Reconstruction Finance Corporation but, notwithstanding anything which has been said on the subject, it authorizes the President for the first time since the Reconstruction Finance Corporation was organized on January 22, 1932, to determine the loan policy of the Reconstruction Finance Corporation. At the present time, under existing law, the President is given blanket authority to terminate the Reconstruction Finance Corporation. He is not given authority to suspend or terminate any particular activity of the Reconstruction Finance Corporation. Instead of being a bill which will carry out the pure legislative purpose of the several acts which we have passed extending the authority of the Reconstruction Finance Corporation, it negatives the legislative purpose of those acts, because if this bill is passed and the President finds in any manner, not alone on the recommendation of the Board of Directors of the Reconstruction Finance Corporation but on their recommendation, or otherwise, he may authorize the Board of the Reconstruction Finance Corporation to terminate any activity of the Corporation. I know that many of you who were particularly interested in the situation in which small industries found themselves sometime ago will be interested to be informed that under this bill the President could suspend the operation of the Reconstruction Finance Corporation with respect to loans to small industries.

Many of us have taken a stand in months and years gone by that the Reconstruction Finance Corporation should be authorized to loan on the warrants or other paper of the school districts of the United States. They have never had that authority, but if this Congress in its wisdom gives them that authority, the President and the Board of the Reconstruction Finance Corporation, under the terms of this act, could turn around and absolutely nullify the pure intent of such legislation by suspending the operation of the Reconstruction Finance Corporation in that respect. Many of you will recall the fight on the floor at the time the Reconstruction Finance Corporation was authorized to make loans to drainage districts and irrigation districts. The President in his wisdom, finding from any source which might be available to him that credit is now available, could destroy the very legislative intent and purpose of those acts and suspend definitely, or for a given period of time, the Reconstruction Finance Corporation activity in that respect.

The Reconstruction Finance Corporation is to be from now on merely a stand-by organization. I wonder why it is necessary at this time to vest these most unusual powers in the President of the United States. If he had come in 2 years ago or 3 years ago and asked for this power, there might have been some substance to the argument that he was in better position to determine the policy of the Reconstruction Finance Corporation than was the Reconstruction Finance Corporation's board itself, because, perhaps, he was closer to the emergency at that time. However, the Reconstruction Finance Corporation is virtually going through a period of liquidation. It was called to your attention here by the esteemed chairman of the committee that their receipts over disbursements during last year were something like \$736,000,000. Their net profit at the present time is \$160,000,000.

So the Reconstruction Finance Corporation should be allowed to continue without any strings tied to the Board, to liquidate this corporation which has done more to bring back prosperity by increasing the volume of credit and giving acceleration to that credit than any other single governmental agency. Why at this late date the President would want this authority to determine the loan policy of the Reconstruction Finance Corporation I cannot understand. There is some question as to whether this gives him the authority to determine the loan policy. The man who is most interested in this is the general counsel for the Reconstruction Finance Corporation, who has to interpret this act after it is passed. He is Mr. James B.

Alley, and many of you know him—a very estimable gentleman doing a remarkable job—and I shall read excerpts from the testimony which Mr. Alley gave in that respect, quoting from page 4 of the committee print:

Mr. WOLCOTT. At the present time has the President any authority to shape the policy of the Reconstruction Finance Corporation?

Mr. ALLEY. He has power to terminate it.

Mr. WOLCOTT. He has power to terminate the Reconstruction Finance Corporation as to all classes of operation?

Mr. ALLEY. Yes, sir.

Mr. WOLCOTT. But he has no power to determine the policy of the Reconstruction Finance Corporation?

Mr. ALLEY. That is right.

Mr. WOLCOTT. This gives him the power to determine the policy?

Mr. ALLEY. Just what did you say? I did not get it. Was that a question or a statement?

Mr. WOLCOTT. That gives him the power to determine the policy of the Reconstruction Finance Corporation?

Mr. ALLEY. Yes; I think it would, sir.

Mr. WOLCOTT. That is a far-fetched proposition from the original bill as amended, is it not?

Mr. ALLEY. Yes; he has never had entire control. The control he has had heretofore has been so restricted. His power was the power of termination only.

Mr. WOLCOTT. Under the pending bill would the President determine the policy or would he have the board of directors determine that?

Mr. ALLEY. Of course, as a matter of fact, in the determination of policy the directors themselves consult with the President a great deal on the lending policy of the Corporation, but he has had no legislative authority for that.

Mr. WOLCOTT. There is nothing in the law that requires the Corporation to consult the President, is there?

Mr. ALLEY. No; there is not, except in certain types of investment of banks and mortgage associations the President must approve any investment which the Corporation makes in a commercial bank, savings bank, or mortgage company.

Now, with respect to this subject, the Reconstruction Finance Corporation was set up as a nonpartisan body in 1932, and in order that no individual or group of individuals should give a partisan complexion to the Reconstruction Finance Corporation we provided in the original act that of the seven directors no more than four would be of the same political faith.

There has not been any politics, as far as I know, in the Reconstruction Finance Corporation up to the present time. Publicly, I want to commend the chairman, Jesse Jones, and the rest of the board for doing one of the best jobs any of us have ever seen done under like conditions. We have sworn at them at times and we have blasphemed the board because they have not made loans which we asked them to make, but in the quiet of our offices and our homes we felt safe in the fact that the Board of the Reconstruction Finance Corporation had established and were maintaining safe and sound policies, and those policies have resulted now in a net profit to the Government of the United States of \$160,000,000.

Every Member of Congress who has contributed to the maintenance of that board as a nonpartisan board should be proud of his activity in that respect. Every Member of Congress who today votes to destroy that nonpartisanship and set up a political dictatorship over the lending policy of the Reconstruction Finance Corporation should, in the quiet moments when he contemplates his actions, be ashamed that he has contributed to the potential destruction of one of the outstanding lending agencies of this country.

Mr. Chairman, at the proper time I am going to move to strike out that proviso.

Section 2 of the bill extends three distinct agencies—the Commodity Credit Corporation, the Electric Farm and Home Authority, and the Export-Import Bank. The chairman of the committee has gone into detail concerning those activities. I simply want to call your attention to the fact that these agencies are operated and managed by the Reconstruction Finance Corporation. As Mr. Jones told us in committee, the life of the Reconstruction Finance Corporation is not contingent in any manner upon an extension of the activities of any one of these organizations. However, the extension of the Reconstruction Finance Corporation is wholly essential to the life of any one of those three corpo-

rations. For that reason they try to justify tying these all up in the same bill.

Many of you will recall a year ago when we extended the Commodity Credit Corporation that an attempt was made to show to the country what the operation of the Commodity Credit Corporation was. Many on this floor had condemned the Farm Board, created back in the Hoover administration for the purpose of taking surplus wheat off the market, and their surprise in finding that the Commodity Credit Corporation, a Delaware corporation, had been set up by Executive order to do exactly the same thing for cotton and corn and turpentine and resin that the Farm Board had been attempting to do for wheat.

The CHAIRMAN. The gentleman from Michigan has consumed 15 minutes.

Mr. WOLCOTT. Mr. Chairman, I yield myself 2 additional minutes.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. FULMER. We had bills passed by Congress controlling production to a certain extent, where the price could be fixed and there would not be any losses, but under the old Farm Board there was no control over production anywhere, and no one would be able to fix or control the price.

Mr. WOLCOTT. The Commodity Credit Corporation has gone ever so much further than the Farm Board ever tried to go, because they have pegged the price of cotton at 12 cents. At the present time the market price of cotton is 11.79 cents, and the Government at the present time has 14½ cents invested in 4,800,000 bales of cotton, and some futures. Last year they had taken off the market 6,000,000 bales of cotton, or the equivalent of one-half of 1 year's crop. Their paper loss is 0.03 times the amount of cotton, in pounds, that they are holding at the present time. Although we are told they are going to try to unload some of this cotton, as was said a year ago, the same thing might be said today, that to unload 1,400,000 bales of this cotton, as might be contemplated, would wholly demoralize the cotton market, because the price of cotton at the present time is less than what the Commodity Credit Corporation has pegged it. [Applause.]

The CHAIRMAN. The gentleman from Michigan has consumed 17 minutes.

Mr. FISH. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I ask unanimous consent to proceed out of order during the balance of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Chairman, I do not know whether it was necessary to make that request or not, because I propose to talk largely on the bill, but may make reference to affiliated subjects. In order to have the right and power to do so I propounded the request.

Mr. STEAGALL. Mr. Chairman, may I understand the request of the gentleman?

Mr. FISH. It has already been granted. The request was to speak out of order on any subject I desired.

Mr. STEAGALL. We are operating under a rule which specifically provides that debate shall be confined to this bill.

Mr. FISH. The permission was granted by unanimous consent. I am not going to digress very much, I may say to the gentleman, but it is too late to raise any objection now.

Mr. Chairman, the President in his message on the state of the Union delivered to the Congress recently made the following statement:

We know now that if early in 1931 the Government had taken the steps which were taken 2 or 3 years later the depression would never have reached the depths of the beginning of 1933.

This statement, of course, was directed against the prior Republican administration. In other words, President Roosevelt said that the prior Republican administration had fallen down and had failed to propose recovery legislation of any kind or was worth anything at all. In all fairness to that administration and to former President Hoover,

and as a member of the Republican Party who was then in the Congress, I submit that President Hoover made certain sound recommendations to the Congress of the United States, then controlled by the Democrats, and that they deliberately sabotized those recommendations and threw them out of the window. If these recommendations had been accepted, there would be confidence in the country today and we would know which way we were going, and I refer particularly to the last 3 or 4 years.

The President in his message, however, claimed that nothing was proposed, but he overlooked the fact that repeatedly the Democratic Congress, for partisan reasons, sabotized the sound and constructive recommendations which were then made. One of the recommendations made by President Hoover, and therefore offered by the Republican Party, after the depression set in, was the Reconstruction Finance Corporation Act, which passed the Congress and was enacted into law in February 1932.

Mr. Chairman, that was a Republican measure and was necessary in order to try to save the banking situation and to stabilize industry. If that administration measure had not been put into effect all credit would have collapsed. It would not have been simply a question of banks failing, but it would have meant that credit would have been paralyzed and the insurance companies, the railroads, and business generally would have likewise collapsed. We would have had a far more serious financial catastrophe. The Reconstruction Finance Corporation was a Republican baby, conceived by the Republican Party, which the Democratic Party adopted. It was one of the few measures suggested by the Republican Party that the Democrats adopted, but they have taken that Republican vehicle and have used it to the extent of lending \$9,000,000,000 to American industry to stabilize industry, stop the crash, and help bring America out of the depression and put people back to work.

Mr. Chairman, I submit that that Republican measure has done more to stabilize industry and bring about recovery than all the panaceas and wild experiments of the "brain trust" combined. There should not be a single Republican objection to the continuation of the R. F. C., because it was a Republican measure which we are justly proud of, and we deserve the credit for bringing it into existence. It differs vastly from the New Deal policies of squandering and wasting the people's money on such vagaries as the Resettlement Administration and the other New Deal systems of bounties, bonuses, and cash payments of all kinds. The R. F. C. loaned money on sound collateral, and most of it will be paid back or recovered. That is a sound Republican policy, in contrast to the New Deal policy of subsidizing everyone and piling debt upon debt by borrowing billions and still more billions.

Mr. Chairman, the President in his inaugural address used these words:

I see one-third of a Nation ill-housed, ill-clad, and ill-nourished.

It seems to me that is an indictment of the New Deal. After 4 years of the New Deal the President goes before the American people and practically says: "I see 40,000,000 American people ill-housed, ill-clad, and ill-nourished in a country that is the granary of the world."

How does he reconcile the statement that there are 40,000,000 American people ill-clad and ill-nourished when he urged and jammed through Congress a program of scarcity, a program of destruction of crops, the plowing under of crops such as cotton, wheat, and foodstuffs, and the slaughtering of 6,000,000 pigs? This program of birth control of pigs and destruction of food crops and cotton has caused at least 2,000,000 breadwinners to join the army of unemployed. It has brought economic disaster to at least 6,000,000 Americans.

We on this side believe that we can have a program of abundance instead of scarcity. We believe that there are enough foodstuffs produced in America so that 40,000,000 American people shall not be ill-nourished. This is the richest farming Nation in the world, and there is no excuse for permitting 40,000,000 of our people to be undernourished.

Turning back for a moment to the R. F. C. and to one particular loan made by the R. F. C. to sell cotton to Soviet

Russia. I direct the attention of gentlemen from Southern States, where cotton is king, to that loan. What did Russian propagandists say? They stated, "If you will recognize Soviet Russia, we will buy \$200,000,000 worth of cotton from the Southern States." Prior to that time, or about the same time, they made the additional statement, "We propose to do a billion dollars' worth of business with you if you recognize us." This was the juicy bait held out to the international bankers and industrialists.

Then the big bankers of New York jumped on the band wagon and demanded recognition. As Lenin said, "The capitalists will commit suicide for temporary profit."

Then they made the cotton appeal to the Southern States and all the Baptists and Methodists and others jumped on the bandwagon, in spite of the fact they hated the very idea of recognition on religious grounds. They also grabbed the bait or promise to buy \$200,000,000 worth of cotton from the Southern States. Now, what are the facts? The facts are that under Republican administrations Soviet Russia bought from America over \$100,000,000 worth of commodities a year and since recognition they have bought approximately \$20,000,000, and in 1935 they bought \$3,500,000 worth of cotton—not \$200,000,000 worth—and they borrowed the entire \$3,500,000 from the Reconstruction Finance Corporation to put through the deal. This is what you have gotten from recognition and from the promises and pledges given by Commissar Litvinoff.

I cannot get a great deal alarmed about the contention made by the Republicans that the President should not have certain powers to limit and liquidate the R. F. C. and the different agencies. It seems to me if words mean anything this is exactly what is proposed in the bill—to expedite liquidation of the R. F. C. and, primarily, of these other loaning agencies. In business we have trustees appointed. You cannot have the whole Congress appointed, so we appoint in this bill the President as a sort of trustee to expedite liquidation where liquidation is necessary. Let us, for example, take the Export-Import Bank. It is doing no business at all. Jesse Jones said before the committee that it is not doing as much business as you would do in your vest pocket. Why should all these deserving Democrats continue to hold jobs down there at fancy salaries and not do any business? Is this Democratic efficiency? Is this New Deal honesty and economy in government? Of course, the President or somebody should have power to put an end to the Export-Import Bank. If the Congress will not do it, then let us give the power to the President to do it. I would like to see it done right now by the Congress, and if anybody offers such an amendment I shall vote for it.

It is a little different with the Commodity Credit Corporation. I tried to ask the distinguished chairman of our committee a question. I think he perhaps knew in advance what the question was going to be. I was going to ask him, coming from a Southern State, how the Commodity Credit Corporation was going to get rid of the 3,000,000 bales of cotton it had? How are they going to dump it on the market without destroying the price of cotton?

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. FISH. I will yield to the gentleman in a moment.

Mr. FULMER. I want to give the gentleman some information.

Mr. FISH. I do not see how we can put an end to it without ruining the cotton market, but I will say that it is a direct result of the A. A. A. program and the destruction and plowing under of cotton. We have lost half of our world market in our cotton export trade, the greatest single American export, amounting to over \$100,000,000 a year. This has been thrown overboard. Of course, then we had to have a Commodity Credit Corporation to take up the surplus cotton. We have the surplus now. What are we going to do with it? In the end the Government will probably have to pay for it, but the net result is we have lost half of the world cotton market to Brazil, Egypt, China, various South American countries, and also to Soviet Russia. We have already lost this wealth and probably the rest of our world cotton market will vanish.

If I had my way, I would take this surplus cotton in the Commodity Credit Corporation and sell it on the world market in Liverpool for whatever it would bring—5 cents a pound, 6 cents a pound, or 7 cents a pound—and bring this wealth back to the United States and distribute it among the farmers.

Mr. FULMER. Mr. Chairman, will the gentleman yield for a question at this point?

Mr. FISH. For a brief question.

Mr. FULMER. May I state to the gentleman from New York that the Corporation now is being begged by the exporters and the domestic consumers of cotton to put this cotton on the market, and we can sell it today at a premium of from one-half cent to 1 cent a pound? Cotton is actually selling on the market at a price of from 12½ to 13 cents a pound.

Mr. FISH. I will say to the gentleman that if this Corporation attempted to unload that cotton, amounting to 3,000,000 bales, the entire cotton market would collapse, and the gentleman knows it.

Mr. STEAGALL. The gentleman forgets the record of last year. The Commodity Credit Corporation disposed of a large portion of its cotton without ruining the market.

Mr. FISH. You cannot keep on buying cotton at high prices and then selling it without wrecking the domestic market. You have this cotton on your hands, and the sooner we stop buying any more the better.

I have the greatest admiration and respect for the Honorable Jesse Jones, and if you Democrats decide to make him your candidate for President it would suit me. [Applause.] He was the nominee of a Republican President when he went on the R. F. C. Board. When the R. F. C. was established it was assumed it would be a nonpartisan organization. President Hoover appointed another Democrat at the head of it, Senator Atlee Pomerene.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield myself 2 more minutes.

Mr. Jesse Jones was appointed as a director by the Republicans. It was a bona-fide, nonpartisan organization, but, unfortunately, it is not so any longer.

President Roosevelt has deliberately violated the nonpartisan requirements, which call for a nonpartisan board, giving the minority party bona-fide representation. The President has put on the board not Republicans that represent the Republican Party but former Republicans, who have deserted the party and who supported the President. So today we have not any real Republicans on the board. [Applause.]

If you think it is the proper thing to violate the spirit and intent of the law by filling the board with Democrats and deserving Republicans, you have the power to do so. But it destroys the very essence of nonpartisanship, and is done in violation of law. If you can do it with this board you can do it with all boards, but I would remind you what is sauce for the goose is sauce for the gander.

The Republicans have not protested, because they have not got the votes to compel an investigation, but President Roosevelt has been ignoring the law and the rights of the minority party in an autocratic and high-handed manner, utterly violating traditional policies and violating the law by appointing on various nonpartisan boards former Republicans who have deserted their party and who do not represent the Republican Party today.

Mr. JOHNSON of Minnesota. Will the gentleman yield?

Mr. FISH. For a question.

Mr. JOHNSON of Minnesota. How about the \$90,000,000 loan to General Dawes?

Mr. FISH. That was done by Jesse Jones and Senator Pomerene, both Democrats, and the gentleman better refer to them.

Mr. JOHNSON of Minnesota. It was done under Hoover.

Mr. FISH. As I have said the Reconstruction Finance Corporation was originated by the Republicans and the best thing the Democrats have done to get us out of the depression was to use this Republican vehicle providing for loans to be made on sound collateral. [Applause.]

Mr. STEAGALL. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. HANCOCK].

Mr. HANCOCK of North Carolina. Mr. Chairman, ladies and gentlemen of the Committee, it seems to me that the question before us is a very simple one. It merely makes possible a continuation of the activities of the Reconstruction Finance Corporation and four of its affiliates or subsidiaries which are instrumentalities through which it functions and operates. The activities of the Corporation and its constructive accomplishments are so well known that I deem it unnecessary to engage in any long-drawn-out or exhaustive discussion of the resolution providing for the extension of its life to June 30, 1939. In my judgment, it has been perhaps the most effective force in the recovery program of the country during the Roosevelt administration, though I recognize that two other agencies have played major parts.

The Corporation was set up in 1932, when the Senate was controlled by the Republican Party and the House by the Democratic Party. At no time, however, has the Corporation's policy been tainted with political partisanship. It has kept true and loyal to its original purpose and in its execution has touched helpfully the business life of practically every community in our country. When first established it was more or less a negative force designed to end the panicky feeling in business circles and to halt the deflationary processes which were undermining the mechanics and structure of our business and financial institutions. With conditions growing worse in the latter part of 1932 and the early part of 1933, it became necessary to increase the powers of the Corporation and extend its lending policy in many ways which are familiar to practically every Member of the House. The results of its operations cannot be fully told or reflected by its operating statement, which shows a profit of more than \$150,000,000. Independent of the allocations made by it for relief purposes, it has authorized more than eight and one-half billions of dollars in loans, approximately six and one-quarter billions of which has actually been disbursed. It is quite significant, however, that under the efficient, sound, and humane leadership of its distinguished chairman these loans were made in such a way that approximately 70 percent in amount have been collected, and today there is only approximately a billion, nine hundred million dollars in loans outstanding. It will be impossible for me to even review the various activities carried on by the Corporation; to those who desire this information, it is available in the various reports made by the Corporation to the Congress.

To those who would criticize the Corporation's failure to make certain loans, I would suggest a careful reading of the language of the original act and amendments thereto under which these loans can be made. Its original lending powers were confined to the key institutions, such as banks, railroads, insurance companies, and building and loan associations, not primarily, however, for the purpose of aiding the larger institutions but because it was recognized that through help to these institutions the greatest number of our people engaged in business pursuits could be assisted and, in many instances, saved. Notwithstanding all of the statements that have been made here today, undertaking to create the impression that the Corporation's activities have been aimed toward helping the big corporations, I know of my own knowledge that the small business concerns have been accorded the same consideration by the management as is accorded the most powerful corporation or bank in the country. Every application is considered on its merits, and there has at no time under the present management been any disposition to prefer one applicant over another.

From the argument presented by several gentlemen of the committee, there seems to be some question with respect to the effect of the proviso in the first section of the resolution. It is my opinion that nothing in this proviso is designed to change the present policy of the Corporation. The President now has the right, without finding any facts, to terminate any one of the lending agencies. That right is certainly broad enough to include the right of the President, upon ascertainment of certain facts, to suspend the operations of any phase of its lending activities. It seems to me that the new provision preserves rather than destroys the powers of the legislative branch of the Government. In other words, under the provisions of the instant bill, the President would

not have to terminate the lending activities to any class of borrowers, but could merely "suspend" the same in the interest of economy and in keeping with the policy of the administration to withdraw its lending activities as rapidly as conditions in the country warrant.

It should be called to the attention of the Committee that the Reconstruction Finance Corporation for the past year has spent most of its time trying to encourage and persuade private lending institutions to take the loans which they have been asked to take, and, in numerous instances, the mere fact that the Corporation was in position to make the loans has influenced private institutions to make them. This Corporation has been handled in such a sound, conservative, and efficient manner that its approval of a loan carries with it such weight that private institutions are ready to step in and take its place. This will continue as its present policy. There could be no better proof of this than the fact that during the past year its collections or repayments have exceeded its loans and commitments by approximately \$736,000,000. Notwithstanding the irrelevant, and I am sure unintentionally misleading, statements made by the distinguished gentleman from Massachusetts [Mr. CONNERY] with respect to loans to aid small businesses, the record will show that of the \$169,000,000 authorized for direct loans to industry and small business enterprises, a large number of these loans have ranged from \$500 and \$1,000 to \$100,000. I think the average loan runs around \$70,000, and by eliminating several of the larger loans, the average would be approximately \$50,000. This is certainly in keeping with this section of the bill and the wishes of Congress in enacting the same. It might be interesting to the membership of the House to compare the R. F. C.'s record of direct loans to industry with the record of the Federal Reserve banks, who are not even lending their own money. Some of you will remember that there was a working agreement made between the Federal Reserve banks and the Treasury with respect to the \$139,000,000 of earnings taken from them and used for the subscription of stock to the Federal Deposit Insurance Corporation. I am confident that there is no justification for any fear that the present management, or the President of the United States, would take any action with respect to the lending activities of this institution which could under any condition jeopardize the rights of small business enterprises to continue their operations. Mr. Jones has made it very clear that he feels that this agency, with its splendid machinery for aiding business when it cannot be aided otherwise, should be kept intact and serve as a "stand-by" agency for the protection of the small, worthy businessman. We should not forget, however, that Congress itself made the management of this great institution a trustee of the taxpayers' money and required that its lending policy should be predicated upon sound business principles.

The second section of this bill merely extends the life of the four subsidiary or affiliate corporations through which the Reconstruction Finance Corporation extends its effective service to beneficiaries otherwise ineligible under the act creating the parent corporation. All of them are instrumentalities through which the R. F. C. functions and operates. They are almost entirely dependent upon the backing of the R. F. C.

The Electric Home and Farm Authority was organized for the purpose of aiding the administration's low-rate and high-volume electric-power policy. It in a measure implements the Rural Electrification Administration, Tennessee Valley Authority, and the Public Works Administration programs. It is a credit institution, operated efficiently and conservatively, and has accomplished much in reducing the rate of interest on installment sales of electric appliances to people who could not pay cash for the same. It will not operate in any territory where power rates are excessive.

The Commodity Credit Corporation has been a great aid in the financing and holding off the market of agricultural products which would otherwise have been forced on the market at sacrifice prices.

The Export-Import Bank is being continued for the purpose of aiding the exportation of American products.

The R. F. C. mortgage company is doing a useful work in refinancing distressed business properties.

According to my information, each one of these affiliate organizations is operating at a profit, with the exception of the Commodity Credit Corporation. This organization, however, would show a reasonable profit but for the loss which it will incur as a result of its guaranty of 12 cents for the price of cotton. The small amount of loss, however, in connection with the operations of this Corporation will be considered negligible in the light of the benefit which it has extended to thousands of tobacco, corn, and cotton growers throughout the United States.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. WADSWORTH. I do not desire to interfere with the tenor of the gentleman's remarks by interrupting him at an inopportune moment, and I assure the gentleman the interruption is not an unfriendly one. Has the Committee on Banking and Currency received from the officials of these subsidiary corporations any report or statement showing accurately their present financial set-up and status?

Mr. HANCOCK of North Carolina. We have received the annual report for the year 1936 of the Electric Farm and Home Authority and the Export-Import Bank. I do not believe that a report of the operations of the RFC Mortgage Co. or the Commodity Credit Corporation has been filed with the committee. These may be included in the annual statement of the Reconstruction Finance Corporation. However, the information given to me by the Chairman of the Reconstruction Finance Corporation, if my memory serves me correctly, is that the Export-Import Bank shows a profit today of between four and five hundred thousand dollars. The financial statement of the Electric Home and Farm Authority shows that since it has been operated under the supervision of the Reconstruction Finance Corporation it has overcome its early loss and now reflects a profit of approximately \$50,000. The financial operations of the Mortgage Co. could not be definitely determined at this time, or until its present loans have been liquidated. It is safe to assume, however, that it is operating at a profit.

Mr. WADSWORTH. If the gentleman will permit an observation—I find in the Record, page 254, of January 15, in a speech delivered by the Senator from Virginia, Senator BYRD, a very interesting statement of the assets and liabilities of the Reconstruction Finance Corporation. In that statement we find, of course, accurately set forth the sums of money which the R. F. C. has advanced to these subsidiary corporations in order to finance them. The statement of the Reconstruction Finance Corporation is very instructive and informative, and, incidentally, I believe, with the exception of certain items, very encouraging; but I am wondering if the Congress has anything like complete knowledge of the financial condition of the subsidiary corporations at this time. I do not mean to criticize unduly the members of the committee. I know you have been hurried in this matter; but it is rather a pity that the Committee on Banking and Currency has not been able to give us a report in the normal fashion, showing just where these corporations stand.

Mr. HANCOCK of North Carolina. Of course, I am just one member of the committee. I want to say, however, that in the consideration of this bill we have not been needlessly rushed. I think the activities of these organizations, and their financial result, are within the knowledge of all members of the committee. Hearings were conducted in the regular manner before the committee and later printed, and may be available to every Member. Of course, if the gentleman from New York desired additional information, he could secure it quite quickly by contacting officials of the Reconstruction Finance Corporation.

Mr. WADSWORTH. In other words, the Committee on Banking and Currency puts the membership of the House on notice that it must find its own information?

Mr. HANCOCK of North Carolina. Not at all. I did not mean to leave such an impression. If the information

which we have and which we are presenting to you does not, however, satisfy your purpose, then you could make your own inquiry. That is the point I intended to make.

Mr. Chairman, in conclusion, and for the benefit of the Members of the House, I desire to state that the measure before us was unanimously reported to the House by the Committee on Banking and Currency. It was also unanimously reported by the Senate Committee on Banking and Currency. The Senate passed the bill in its present language and without an amendment last week, with but one dissenting vote. I want to make this statement merely for the purpose of reflecting the almost universal approval of the work of this Corporation. I venture the assertion that notwithstanding certain criticisms which have been directed toward this measure, and particularly section 2 thereof, there is not a Member of this House, regardless of his political affiliations, who has received since coming to Congress or, for that matter, before he left home, a single letter or request from a financial institution in his district or from a single individual constituent suggesting or urging that he oppose the passage of this measure. If no exception or contradiction is made to this assertion, it will be very difficult for me to understand how any man wanting to represent his constituency could oppose its passage. Though I may be wrong, I also believe that when the roll is called he will be a lonesome man who answers "nay."

Though we know that we are on the high road to recovery and better times in this country, we can by no means afford to discard the safeguards until some of our work has been tested in terms of normal conditions. The Chairman of the Corporation has on a number of occasions made it clear that the future policy of the Corporation will be to assist and encourage applicants in getting their loans from private sources where possible rather than by making them through the R. F. C.; and the mere fact that the Corporation is in position to make the loans enables it in many instances to get private sources to do so. I therefore feel that it is not only wise and expedient but also good public policy to keep these agencies with their splendid machinery intact and geared to meet any emergency which might arise in the near future. The fact that it is here and ready to come to the assistance or rescue of any eligible borrower creates confidence in our financial institutions in their effort to extend their operations and increase their activities. In the language of the distinguished Chairman, it will serve primarily as a "stand-by" agency to insure the citizenship of our country that every legitimate and sound business enterprise, both small and large, will be protected, and that when necessary the Government will step in to prevent a hold-up by unscrupulous and selfish lending agencies. As long as this agency is in existence we may be assured that eligible, worthy enterprises will not be subjected, in their financing programs, to unreasonable rates of interest or unfair terms of borrowing.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. HANCOCK] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, as a member of the Committee on Banking and Currency, I have been trying with some difficulty to find out, if possible, the value of the securities which may now be credited to the Reconstruction Finance Corporation. I spent some little time in the matter immediately after the President's Budget message was read. I am pleased that the genial Representative from New York [Mr. WADSWORTH] was able to call your attention to a speech made last Friday by that Senator who now has a wet blanket over him without being ruled out of order.

You will recall that when I gave notice that I would like to make reference to the Senator's other speech made over the radio, I was told that I would be out of order. I am sure enough has been said to make you read the speech under discussion. I had prepared a very similar statement, several days before, after giving long attention to several recent Budget messages. I had called the Bureau of the Budget and asked an explanation of the bookkeeping as carried in the Budget statement. I have received a reply with a practical acknowledgment that the public at large are told

in the financial statements of the Treasury that there are about two billion dollars worth of assets in our Treasury that are worthless; yet the public is daily furnished these statements by that Department, setting forth as assets valueless notes of the Reconstruction Finance Corporation.

Of course there can be no denying this; but what surprises me is that while the Senator suggested that the Treasury should evaluate and give a proper picture of the real value of these holdings, I was informed, as I recall it, that Congress has to authorize the Treasurer to cancel this worthless paper.

Our gross debt is about \$35,000,000,000. We can read that every day. We are supposed to have \$17,000,000,000 worth of assets. The daily statement says so. Twelve billion dollars' worth of foreign obligations. We place but little value on those. As to the other five billion, what are they?

The President said in his message just the other day—and I refer to the recent platitudinous inaugural message:

Government can obtain justified support and legitimate criticism when the people receive true information of all Government doings.

Well, perhaps I cannot give legitimate criticism, when there is no true information. What a pity. "Echoes of the last campaign," says the gentleman from Wisconsin [Mr. REILLY]. He can take it thus if he wants it, but your great President, speaking at Pittsburgh last October, and duplicating a performance of 4 years ago, setting forth the finances of the Nation, told the country that Hoover's deficit in 3 years was \$3,000,000,000. He acknowledged that \$2,000,000,000 of it was recoverable. He acknowledged that he himself had a deficit of \$13,000,000,000, but claimed \$6,000,000,000 recoverable. He knew better than that. God knows, he must have known better then. For there was \$2,000,000,000 that he claimed that had actually been given away by the R. F. C. under his directions. I want the gentleman from Wisconsin [Mr. REILLY] to call this a campaign echo if he desires. I am talking about assets, represented by notes of the R. F. C., that have vanished. Here is another remarkable statement. The President told the country in the same speech that over \$1,500,000,000 went for the payment of the World War veterans' bonus that year, instead of in 1945; that in consequence "the payment is now out of the way and is no longer a future obligation of the Government." I will read it to you again: "That payment is now out of the way and no longer a future obligation of the Government." The obligation was not due for 10 years, but by and through insistence we borrowed money to pay it; then can I tell my constituents that this obligation is now "out of the way"? We still owe that sum, and largely in short-term notes. What a speech.

Six billion dollars recoverable when he must have known there were really less than \$4,000,000,000; that the R. F. C. had actually given away about \$2,000,000,000; yet they carried that \$6,000,000,000 as assets!

Mr. REILLY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. REILLY. Does the gentleman contend that we will have to pay the soldiers' bonus again?

Mr. GIFFORD. We borrowed the money. Most certainly we shall have to repay it.

Mr. REILLY. I mean the Government.

Mr. GIFFORD. That sort of absurd statement reminds me of something not a whit more silly—the story of the lady whose husband gave her a check to cash at the bank. She went to do it, and the teller said, "You must endorse it."

"What do you mean?"

"Put your name on it, so your husband will know you used it."

On the back of the check she wrote: "Dear Jimmy, I am now at the bank getting the money. Lots of kisses. Jennie." [Laughter.]

Some day I may take the time to deal more fully with that speech of the President; and I may read and comment on Hoover's reply made 2 weeks later—the answer of a man who knew what he was talking about, and who proved his case, but a man to whom the public somehow just would not listen.

No; the President of the United States is clothed with an aurora, and it remains for us of the minority to speak plainly, though we suffer the weariness of futility. I have to speak to an idolatrous country. [Laughter.] The name of Jesse Jones is synonymous with R. F. C. I believe in them both, thoroughly. But the test of our Government is here and now. When, during an emergency, we shall have brought into being certain necessary unusual powers of government, can we, when the emergency is over, have we, the courage to divorce ourselves from them and return to our former faith in our own citizens to carry on the banking and credit business of the Nation?

Ponder over the words of President Aldrich, of the Chase National Bank, which appeared in the papers this morning, "The whole subject of government lending agencies should be thoroughly reconsidered", read his warning of too low interest rates. The pending bill provides that the President, when and if he thinks there is enough of private credit available at rates that are satisfactory—get that—may discontinue these agencies. As long as this Government is in the market to borrow huge sums of money the rates have got to be fair, which may mean dangerously low ones. Why, the emergency is over so far as credit facilities go. You know it. The banks are bursting with money eager for reinvestment. What reason can we now assign for further Government credits? However, you too well know the Commodity Credit Corporation will take care of cotton and tobacco and willingly lose money doing it. It will be a permanent thing. You will probably never get rid of it. Nor will you get rid of the Export-Import Bank. We thought Russia was going to do such a flourishing business with us. That is why we established the Export-Import Bank. You will continue it because currencies are so unstable and we can let the Government agencies lose whenever private lenders will not take such chances on sales to foreign nations. Let us keep the machinery there although it is not doing anything.

Rural electrification! That is splendid. The Government will lend money and at a lower rate than can private bankers, so we must continue that.

Referring again to our assets. Not only is that \$2,000,000,000 gone but another \$1,000,000,000 is probably gone as well, since, I think you will agree, with a contingent indebtedness of \$4,700,000,000, there will be at least a 20-percent loss on those other activities that have been nursed along by the Government. Let the President not again tell his people that he has \$6,000,000,000 recoverables. Rather tell them the truth so that legitimate criticism may be accepted. While the people are kept in the dark criticism may appear to be not legitimate.

Mr. JOHNSON of Minnesota. Mr. Chairman, will the gentleman yield for a question?

Mr. GIFFORD. I yield.

Mr. JOHNSON of Minnesota. It is safe to assume now that the Republicans are worried about this administration?

Mr. GIFFORD. That is a funny question.

Mr. JOHNSON of Minnesota. No; it is not funny at all. Nobody else worries about it. We thought possibly the gentleman might be worried.

Mr. GIFFORD. Evidently if the Republicans did not worry, nobody would. We have, very definitely, something to worry about. The gentleman knows there is a debt of \$35,000,000,000.

Mr. JOHNSON of Minnesota. I do.

Mr. GIFFORD. Does the gentleman have any hope that at any time within the immediate future we can reduce it by even \$1,000,000,000? No. We are to have the Budget balanced in 1938. But the balance is already budgeted, so there is not a dollar to reduce the debt. This ought to be your worry, the responsibility not being upon us. As I have stated before, I shall try to be happy, but for a time must stew with you in your juice.

Mr. JOHNSON of Minnesota. We are not worried about the Budget.

Mr. GIFFORD. Who is "we"?

Mr. JOHNSON of Minnesota. Just the common people; not the Republicans.

Mr. GIFFORD. I do not think the so-called common people are worrying. They do not understand the facts, and depend so largely on what their idol tells them.

Mr. JOHNSON of Minnesota. All we are worried about in Minnesota is to get enough to eat, and we have not been getting it in the last 3 years.

Mr. GIFFORD. The bill will be presented to your people just the same. Santa Claus came and left his presents and we were happy. But when he comes back to collect we are not going to like him.

Mr. Chairman, our democracy, having set up these agencies in an emergency, has not courage enough to divorce them when the emergency is over and trust private initiative to perform as it did before. Today we fail in the test.

Mr. Chairman, a committee has been appointed to reorganize the Government departments and bureaus, and this would seem to be a deliberate attempt to postpone the whole business still another 2 years. Why not extend this for 1 year? Why the necessity for 2 years? Do you desire the reorganization of our Government to go over 2 years? Certainly it would seem so by this vote today.

I would deem it a remarkable moment on the floor of the House if I could ever see any of these agencies abolished. It would seem that if this new committee should come in and recommend the abolition of any of these things, its recommendation would hardly prevail. The future does not look bright so far as doing away with any of these things is concerned.

Mr. Chairman, my time is about up. I again repeat the sad fact that he told us he had \$6,000,000,000 of recoverables. We find he has only three billions.

Mr. CRAWFORD. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Is it true that the R. F. C. is disposing of its holdings in Federal Housing mortgages and some of its bonds and debentures?

Mr. GIFFORD. I am glad the gentleman put his finger on that. We are extending the time that the capital stock subscribed may stay within the Corporation, with all the funds they have on hand and all they may borrow. These agencies may still be used to harass private business and bankers, who now have credit facilities in abundance. I am quite willing to extend the life of the R. F. C. for 1 year, but am not willing, with the information at hand, to continue the others included in this bill.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Chairman, twice this week I have had occasion to take the floor in the temper of Mark Anthony, who came to bury Caesar, not to praise him. Today I go into reverse and come to praise Caesar, not to bury him. The Caesar I praise is Jesse Jones and his empire is the Reconstruction Finance Corporation.

It is idle to repeat what everybody knows, that this has been the most successful agency used to meet the depression. Its record is clean. Its performance has been marvelous. No other attempt to meet the crisis has matched it in importance, value, or integrity. Everything in it we should commend.

It might be well to stop there, but I find myself unable to refrain from taking a moment or two for expanding some of the things the gentleman from New York said, because of them I can say: "All of them I saw, and part of them I was."

Early in October 1931, as one of the older members of the Committee on Banking and Currency, I was summoned to the White House, together with 30 or so other men, about half from each party, including the Speaker of the House, the Presiding Officer of the Senate, the Secretary of the Treasury, the Under Secretary, the older members of two committees in the Congress, expected to take action upon what President Hoover recommended. He had succeeded in meeting one crisis with the moratorium on foreign debts. He was faced with a second. "And now it can be said." He told us that night unless we undertook to pass the legis-

lation he desired every bank in the country would close its doors within 2 weeks. Never in our time did a more fateful emergency face the people of the United States.

He asked us three things. He asked men on both sides if they would support him in these recommendations: One was the creation of the agency that became the Reconstruction Finance Corporation. Another was increasing the power of the Federal Reserve System in matter of loans. The third was relief of depositors in closed banks. We unanimously agreed to secure for him these things at the earliest possible moment. He had saved the day in the summer with the moratorium on foreign loans. The morning after our meeting the public was told what he now contemplated and another emergency was met.

When Congress came together we did take speedy action on two of those things. We laid the foundation for what later became the Reconstruction Finance Corporation, and we provided the legislation for extending the powers of the Federal Reserve System.

In his message when Congress assembled the President added two things for saving the situation. One of them was to strengthen the Federal land bank. The other was the home loan bank bill.

The House had by that time come under Democratic control. The pledge of the leading Democrats in the House and Senate had been that all three things urged by the President in October should be acted upon as quickly as possible. What happened? As I said, two of them were speedily enacted into law. The bill for relief of depositors in closed banks met a different fate. Although it was pressed for action, for months we could not get a hearing by the committee. Other months passed; a year and a half passed; and there came only slight action, to be made adequate still a year later.

Mr. Chairman, it was 2½ years before we finally secured that which Democrats and Republicans alike had pledged.

The home loan bank bill was not enacted till half a year had passed. Reform of the banking system as a whole did not come until more than 2 years after Mr. Roosevelt was inaugurated.

Yet in recent discussions on the stump throughout the country it has been said that the responsibility for the final crisis was that of President Hoover and the Republican Party. I deny it! I charge inexcusable delay after the Democrats gained control.

Let me return to happier thoughts, those aroused by the pending resolution. It means that our best agency in fighting the depression shall have further opportunity to wind up its affairs. I doubt if there is a man in the House who is going to vote against the general purpose of this resolution. Amendments may be offered and there may be differences of opinion thereon, but upon the main purpose of the resolution itself we are agreed, and I thank heaven that there is now here a Democratic House willing to act quickly.

I believe in adequate discussion. I do not think we should go at these things with undue haste. I think all aspects ought to be presented, but when questions of this sort come along there ought to be action now, just as in 1932 there ought to have been action. Imagine, if you can, the worry and the anxiety of those of us who were trying to do something for the relief of depositors in closed banks when day after day and week after week, months passed into years before there was a carrying out of the full pledge that had been made to the American people.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Certainly.

Mr. HOUSTON. Was the Republican Party very much in favor of the Federal Insurance of Deposits Act, and does not the gentleman think it has been a good thing?

Mr. LUCE. I do.

Mr. HOUSTON. Then why did the Republican leadership want to repeal it during the last campaign?

Mr. LUCE. I can answer for nobody but myself.

Mr. HOUSTON. Your leader, Mr. Landon, wanted to repeal it.

Mr. LUCE. Unfortunately, I am not a leader—

Mr. HOUSTON. Landon was the leader.

Mr. LUCE. Point the finger at somebody else, but not at me.

Mr. HOUSTON. I did, and so did 27,000,000 people in this country.

Mr. LUCE. Let me inform the gentleman that not all of them were in my district. [Laughter and applause.]

Mr. HOUSTON. The gentleman is fortunate.

Mr. REILLY. Mr. Chairman, will the gentleman yield?

Mr. LUCE. I yield.

Mr. REILLY. I know that my colleague was always in favor of guaranteeing bank deposits, but is it not a fact that the Republican Party in its platform of 1932 declared against the guaranteeing of bank deposits?

Mr. LUCE. The Republican Party occasionally has a lapse from good sense. [Laughter and applause.]

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. LUCE. I yield.

Mr. WOLCOTT. Has the gentleman been cognizant of any appearance on this floor of any member of the Banking and Currency Committee who has had the temerity to say that Mr. Roosevelt was for the Federal Insurance Deposit Corporation Act until it was forced on him on the 16th of June, 1933, by the overwhelming vote of this House?

Mr. LUCE. I will give opportunity to any Democrat here to answer that question.

Mr. GIFFORD. If the gentleman will permit, I have the facts right here showing he was forced into it, and I want to suggest right here that, to my utter amazement, my friend the gentleman from Kentucky [Mr. SPENCE] signed a postal that was sent to all of us stating how President Roosevelt favored and put over the guaranteeing of bank deposits. It was utterly ridiculous. He had to be forced into it.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Certainly.

Mr. PHILLIPS. I believe the gentleman referred to the conditions obtaining when the banks closed under the administration of Mr. Hoover. I wonder if the gentleman will tell us what brought about the conditions leading up to the closing of the banks? [Applause.]

Mr. LUCE. It is a long story. I will give only the closing paragraph of the closing chapter. The refusal of Franklin D. Roosevelt to cooperate with President Hoover.

Mr. HOUSTON. Will the gentleman yield for just a brief question?

Mr. LUCE. Certainly.

Mr. HOUSTON. Whatever became of Mr. Hoover? [Laughter.]

Mr. LUCE. He was given an opportunity to present to the people of the United States a great deal of good advice which I wish the gentleman had had sense enough to follow. [Laughter and applause.]

[Here the gavel fell.]

Mr. REILLY. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman and ladies and gentlemen of the Committee, I think we should hark back to the last administration and consider the history of the Reconstruction Finance Corporation. We will admit that its creation was originally a Republican measure. What was its original purpose?

It was to furnish assistance to the great banks, to the insurance companies, to the railroads, and there it stopped. It seems to me that has been the basic philosophy of the Republican Party, a philosophy that has brought them to their present low estate—that if the great are taken care of the benefits will drip down upon the ordinary man and woman and they can take care of themselves.

All the developments, all the extensions of the functions of the Reconstruction Finance Corporation are expansions and developments that came under the Democratic administration.

You hesitate to give the President control of the functions that were created largely through his influence and in his administration. What is the power given the President under this bill? It is as follows:

Provided, That in order to facilitate the withdrawal of the credit activities of the Corporation when from time to time during

such period the President finds, upon a report of the Board of Directors of the Corporation or otherwise, that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the Director to suspend the exercise by the Corporation of any such lending authority for such time or times as he may deem advisable.

That limits rather than extends his powers. The President before action on his part must find what conditions and facts exist. Do you not believe that you can trust him to find these facts honestly when it was his influence and that of his party that made these extensions and enlargements of the powers of the Corporation?

I think there is no reason at all to give any consideration to the objections raised here because of the alleged enlargement of the power of the President.

He can at the present time by his ipse dixit, by a scratch of the pen, destroy this organization. That power is not increased by this amendment.

I believe that the Reconstruction Finance Corporation as operated under this administration has been one of the most beneficent of the agencies of the Government. Every member of our committee I am sure has respect and confidence and admiration for the Chairman, Jesse Jones. He is able, genuine, and apparently sincere in all his acts and conduct. When he does not know, he will tell you that he does not know, a thing very unusual in those connected with most of our bureaus. He always gives us the information that he has with clarity and frankness. He has operated this great organization with great ability. It has rendered a great service to the American people, and I venture to say that those who denounce it on the floor will, if it comes to a record vote, vote for it on a roll call, because all Members, whatever they may say here, are responsive to the will of their constituents, and they know that the people at home want a continuance of the functions of this great Corporation. If it does not function in the future, it can at least stand by and be helpful, because those who may need its help will know that it is there to help in time of need. In the homely language of Chairman Jones, it is a shotgun in the corner, and it will be serviceable even though it may never be used. It may be that we will not need some of the activities of this organization again, but the mere fact that it still may function will give confidence to the business, the commercial, and agricultural interests of our people. [Applause.]

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, the distinguished gentleman who just preceded me referred to the extension of the loaning powers of the Reconstruction Finance Corporation for the purpose of serving the people. This is wholly in keeping with the spirit of the President's address the other day when he said:

The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.

I rise to bring to your attention an omission in the time extension of the loaning powers of the Reconstruction Finance Corporation in behalf of "those who have too little", and to bring before you a plea that the Reconstruction Finance Corporation be permitted again to loan money to school districts for the payment of teachers' salaries.

I come from South Dakota. I am getting reports repeatedly from school boards in my district that they are unable to pay their teachers' salaries because their cash funds are depleted and there is no market for their warrants and they are salable only at exceedingly large discounts.

In various districts the school board is obliged to advertise for teachers and let the job to the lowest bidder. Then the lowest bidder takes the salary warrants and tries to find a market for them. When they are a year and a half or 2 years or 4 years behind, you can imagine what that does. Some of you also know what this does to the kind of schooling that is offered and to the attempt to raise the standards of teacher training.

In the President's address he also said:

I see millions denied education, recreation, and the opportunity to better their lot and the lot of their children.

It is not in despair that I paint you that picture. I paint it for you in hope—because the Nation, seeing and understanding the injustice in it, proposes to paint it out.

If I know aught of the spirit and purpose of our Nation, we will not listen to comfort, opportunism, and timidity. We will carry on.

I trust I may be recognized at the proper time to offer an amendment that will extend, in similar purpose, the powers of the R. F. C. to loan money to school districts for the payment of teachers' salaries.

We are loaning money to banks and railroads and shipping companies. We are extending the time to handle cotton loans and extending the power to loan money to mining corporations, all of which has justification, but may be speculative. Some of you may suspect, and I happen to know, that in spite of the best engineering report some mining projects may not pay out. And some of you may also know that loans to banks and to insurance companies may not all be paid back. In short, we are loaning to those who are in business to make money and have a chance to profit largely just because there is uncertainty in their operations.

But there is no uncertainty, no speculation in buying tax-guaranteed warrants for teachers' salaries. The R. F. C.'s marvelous record for collection of loans was most remarkable when it loaned money to school districts. The distinguished gentleman from Illinois [Mr. SABATH], the dean of the House, I understand, was successful in getting loans extended to the school districts of the city of Chicago, with the result that long-overdue salaries were paid. That borrowing was paid back within 4 months, because a market was established. Private lending agencies readily bought the salary obligations when the R. F. C. recognized them.

But the power expired and was not renewed. In fact, it was specifically provided in the last session—Public, No. 325, section 2—when you did authorize loans to school districts for construction, that none of that authorization should apply for the purposes in the previous act—Public, No. 417, Seventy-third Congress, section 16—which was the payment of salaries.

Some of you may think that buildings constitute schools. I do not think so. The thing that makes the school is the teacher, and if you are going to penalize the teachers, you will penalize the children, the people for whom the President spoke, and for whom, I am sure, every Member in this body would speak were it called to his attention.

We are authorizing the extension of borrowing to speculate in the cotton market, we are authorizing the extension of borrowing to try to develop some trade with Russia through the Export-Import Bank. If those things can be done in the name of helping the common people, why can we not provide that teachers' salary warrants may be refinanced so that these warrants can be paid? This will restore the educational opportunity the President hoped for. It will insure and reward the training and quality of instruction which a fair opportunity demands.

Much has been said here this afternoon in tribute to the able Chairman of the Reconstruction Finance Corporation Board. I wonder how many of you have read from the record that remarkable tribute from Mr. Jones to Eugene Schacher, the pilot to whom he gave credit for saving his life. If you have not, I commend it to you. It is the tribute of one man to another man. In this tribute Mr. Jones said:

When the door in the pilot room blew open and the flames were reaching into the cabin you came out and closed the door, going back into the furnace. Again the door flew open, so terrific was the speed, and again you came out, this time a human torch, closed the door and went back into the fiery pit. (Extension of remarks by Senator TOM CONNALLY, of Texas, CONGRESSIONAL RECORD Appendix, p. 13, Jan. 8, 1937.)

Then he goes on and explains how Schacher came back and warned the passengers against a rough landing and opened the door for them when his hands were burned to the bone; how he then went back and dragged Hefley from the burning cockpit.

At the conclusion Mr. Jones reverently said:

I pray God for the knowledge to understand for what purpose He saved my life by sacrificing yours.

May I, in all humility, suggest that possibly it was to give Mr. Jones and his organization the opportunity to establish a better basis for the finances of the common schools of the country and thereby to bring to other boys and girls something of the courage, devotion to duty, and spirit of sacrifice embodied in the life of Eugene Schacher.

Mr. Chairman, Schacher was the product of South Dakota schools, and so was the other pilot, Ed Hefley. Their families lived in South Dakota at the time of this tragedy. You may question the making of loans for certain purposes, but to make loans to produce schools which will train boys and give them that kind of a spirit is as worthy an object as any object for which you can loan money. [Applause.]

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. CASE] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. REILLY. Mr. Chairman, I also yield 5 minutes to the gentleman from Wisconsin.

The CHAIRMAN. The gentleman from Wisconsin [Mr. WITHROW] is recognized for 10 minutes.

Mr. WITHROW. Mr. Chairman, in the Seventy-second Congress I opposed the enactment of the Reconstruction Finance Corporation legislation. I did that because the group with which I was affiliated attempted to amend the act at that time so as to set aside and make it mandatory that 20 percent of the credit in the original set-up should be extended to those borrowing not more than \$50,000. The amendment was defeated. I then voted against the passage of the measure.

Today I shall vote for an extension of the Corporation's activities. I realize that great good has come to the Nation by reason of the activities of the Reconstruction Finance Corporation. I also realize that there have been a great many abuses of that authority. It is my purpose today to place a safeguard against further abuses of that authority. At the proper time I will submit an amendment on page 2, line 10, to strike out the period and insert in lieu thereof a colon and the following:

Provided further, That hereafter, except with the approval of the President in each case, the corporation shall not make any loan to any borrower if the aggregate amount of loans by the corporation to such borrower already exceeds \$1,000,000, or would exceed \$1,000,000 if such loan were made.

I propose this amendment for three reasons:

First. Because I have confidence in any man who has been elevated to the high position of Chief Executive of the United States.

Second. Because there is continual changing in the membership of the Board of the Reconstruction Finance Corporation, a shifting that can be likened to the shifting of the sands.

Third. Because it is the loans of \$1,000,000 and over that come to the attention of the people and are scrutinized. Therefore we must keep these loans above reproach if the people are to have confidence in us and the agencies of our Government.

I have in mind several abuses. Probably the most flagrant among these abuses was the loan granted to the Central Republic Trust Co., of Chicago, Ill. That loan of \$90,000,000—\$50,000,000 of which it is expected will be lost to the Reconstruction Finance Corporation and to the Treasury of the United States—

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. If the gentleman will please wait until I get through with my statement.

Certainly the circumstances surrounding this loan to the Central Republic Trust Co. are not above suspicion and reproach. What were the circumstances? This loan was negotiated shortly after the creation of the Reconstruction Finance Corporation.

In passing, I may say I believe even President Hoover, as callous as he was to the conditions that existed in the country at that time, and as unmindful of the suffering of the people in these United States, even he, had he been forced

to assume full responsibility for the making of this loan, would not have approved it.

Mr. Dawes was Chairman of the Reconstruction Finance Corporation. He was likewise acting in a dual capacity as director of the Central Republic Trust Co.

He only acted as Chairman of the Reconstruction Finance Corporation for a period of a little over 4 months, and then resigned. Shortly after he resigned, and hardly had he gotten off the train at Chicago, Ill., when the newspapers blazed forth in headlines that the Central Republic Trust Co. of Chicago, Ill., had been granted a loan by the Reconstruction Finance Corporation of \$90,000,000, a substantial portion of which was made immediately available to them.

Are there any of us here today who are so innocent as to believe that General Dawes did not have something to do with the manipulations that were going on relative to the Central Republic loan at the time he was acting in the dual capacity as Chairman of the Reconstruction Finance Corporation and as director of the Central Republic Trust Co., of Chicago, Ill.?

There is no gentleman, in my opinion, who can justify that loan. It is said that if that loan had not been granted the entire financial structure of the Northwest would have crumbled. There is no secrecy surrounding what happened to my people, the people of the Northwest. They were crucified with one bank failure after another. Today we have the unholy spectacle of the Government of the United States suing the stockholders of the Central Republic Trust Co., of Chicago, Ill., to get back a small portion of the moneys involved in this transaction.

The gentleman from Michigan very ably stated that the Reconstruction Finance Corporation had shown a profit, a net profit of \$160,000,000. That is very fine, but how much more of a profit could be shown had the General Dawes debauch not been permitted. How much more credit could have been extended to my people who were in dire need of it at that time? How much could the interest rate have been reduced on loans made to my people?

General Dawes was very much of a businessman while he was Chairman of the Reconstruction Finance Corporation. Oh, yes; indeed he was. He had two yardsticks. He had a yardstick that was used on the small banks. They came to the R. F. C. for loans. What did the Reconstruction Finance Corporation require of them? They granted them loans, it is true, yes; but what did they have to do to negotiate the loans? They had to deposit adequate collateral as security and then pay 5½ percent for the privilege of using the money. Neither the R. F. C. nor the Federal Government has lost money in its dealings with the small institutions throughout the United States; in fact, they have made money, and that is why the R. F. C. can now show a substantial profit.

It is reasonable to assume that inasmuch as the Reconstruction Finance Corporation required adequate collateral as security on loans made to the small banks that the Central Republic Trust Co. would be required likewise to supply adequate collateral to secure their loan.

That, indeed, was not the case. A substantial portion of the collateral securing the Central Republic Trust Co. loan consisted of Insull securities that are today hardly worth the paper they are written upon. [Applause.]

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield myself 1 minute. Mr. Chairman, in view of what the gentleman from Wisconsin has said, I think it is interesting to note what Mr. Jones had to say about this so-called Dawes loan. We all admire Mr. Jones; we admire him because he is intellectually honest.

Before the Committee on Banking and Currency last year Mr. Jones said that he disclaimed no responsibility for the Dawes loan, so-called. Although he was not chairman of the board when the loan was made, he was a member of the board. He voted for the loan. He thought it was a good loan then; he still thought it was a good loan.

Instead of the losses being \$50,000,000, he said that they know definitely the losses will be less than \$10,000,000. He

said further that if we were to have lost the whole \$90,000,000, it would have been an almighty good investment on the part of the Federal Government, because it saved the depositors in the Seventh Federal Reserve District millions of dollars. [Applause.]

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield the balance of my time to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, during the course of the debate it has been charged by Republican Members of the House and by Members of the Committee that the proviso in the first section of this bill gives the President additional powers and it gives him power to suspend types of loans to be made by the Reconstruction Finance Corporation. This charge is made by Republicans, and from what I have been able to gather from the debate the Democratic Members of the Committee on Banking and Currency agree that this proviso on the first section does give the President the power to suspend or to terminate various types of loans made by the Reconstruction Finance Corporation.

Possibly I am unable to read the English language understandingly, but I cannot agree with the statements made either by the Republican or the Democratic Members of the committee; because, as I read this proviso it does not substantially change existing law. I do not believe there is a member of this committee or a lawyer of the Reconstruction Finance Corporation, or anyone else who will claim that this proviso gives the President any more power than he has now; and I am at a loss to understand why the Republican and Democratic members of the Committee on Banking and Currency seem to agree that this language does give the President this additional power. I think the very distinguished gentleman from North Carolina [Mr. HANCOCK], made a statement with which we will all agree, that it has been the policy the Reconstruction Finance Corporation not to make loans where private capital was available; and I believe we will all agree that even though the law did not specifically require the Reconstruction Finance Corporation to desist from making loans under those circumstances, it has, nevertheless, been their policy to deny loans to applicants when money was available from private sources. If that were their policy, certainly they must have been authorized to deny that type of loan, certainly they must have had the power; and from the very nature of things we must assume they had the power to deny that type of loan.

Can any Member point out how this language gives additional power to the President to deal with this type of loan? The proviso reads substantially that when the President finds that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the directors to suspend the exercise by the Corporation of any such lending authority.

The language of the pending bill merely states that the President can, if he finds there is sufficient private capital available, authorize the directors—not direct, but authorize the directors—to suspend the making of this type of loan. They already have the power and have been exercising it. Since the creation of the R. F. C. the board of directors have been exercising the power granted to them to deny loans when funds are available from private sources.

All this proviso of the pending bill does is to say that the President can authorize them to do a thing they have been doing for years. I cannot see the sense or necessity for this language, and I respectfully request some member of the committee to explain to the House the necessity for placing it in the bill. It seems to me to be entirely surplusage and that it should not be in the bill.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, Jesse Jones, of the R. F. C., has been highly praised by Members on both sides of the aisle today as a wonderful executive, a perfect gentleman, and a wonderful man. I agree with all this praise,

because I like Mr. Jones; but I ask if any Member of this House having a small business in his district has received a loan from the R. F. C. to help keep labor working? I know I tried to secure loans from the R. F. C., especially for two manufacturing concerns in my district, one the H. B. Southwick leather factory, of Peabody, Mass., and the other the Sjostrom Lawrence Dye Works Co., but without success. Both of these industries had gone along for years, paid good wages, and kept people, among others, over the age of 50 at work, but they could not get a nickel out of the R. F. C. Mr. Sjostrom's concern had every prospect of business success, big orders and sound management for this coming year and presented a fine case to the R. F. C. Nevertheless, while other concerns less sound and with dubious prospects for success were taken care of in Massachusetts by the R. F. C., the Sjostrom and Southwick factories were left by the wayside, and as a result their employees will be thrown out of work.

Mr. Dawes got his \$90,000,000. The railroads got their millions of dollars. Praise has been given the R. F. C. for its wonderful work in giving the Missouri Pacific millions of dollars to pay over to J. Pierpont Morgan. We want to know when the R. F. C. is going to begin to follow out the law that we enacted last year and take care of the small-business men of the United States who employ labor who need the work. [Applause.]

Mr. RANKIN. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Mississippi.

Mr. RANKIN. I want to say to the gentleman from Massachusetts that last spring when we had flood and cyclone disasters certain loans were made to the people in these areas, and these loans not only saved the homes of laborers but furnished work to thousands and perhaps hundreds of thousands of laboring men.

Mr. CONNERY. That might be true of Mississippi, but it is not true in Massachusetts. W. P. A. took care of that; Mr. Hopkins, not Mr. Jones. We got very little out of Mr. Jones' R. F. C. organization.

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. Does the gentleman know that in his district the local committee as well as the agency of the R. F. C. reported favorably upon applications, but when they came to Washington they were turned down?

Mr. CONNERY. Yes. I am not talking about Mr. Joseph Carney's office at Boston. Mr. Carney's office understood the conditions and recommended favorably for these concerns. I am talking about Jesse Jones and the R. F. C. in Washington. R. F. C. headquarters at Washington seem to turn down anything that might help the little fellow. I would like to see them wake up and take care of the poor people of the United States. Never mind the Union Pacific, the Pennsylvania Railroad, and other big corporations. They are always well taken care of. Why not put into effect the intentions of Congress and protect the small-business man for a change?

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. CONNERY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Only 3 days ago I received a letter from a small industry thanking the R. F. C. and me for a loan that had been made. In that case the industry did employ labor, and I may say to the gentleman a number of the operatives were enabled to keep their homes as a result.

Mr. CONNERY. I am glad to hear that. It only proves what I have contended from the beginning—that, as far as loans to small industry are concerned, Mr. Jesse Jones is a fine Republican and the Members on the Republican side of the House can get somewhere with him, but we Democrats cannot get a thing. [Laughter and applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, in the printed hearings of the testimony taken before the committee I have been

given credit for a number of questions that were in fact asked by the gentleman from Connecticut [Mr. KOPPELMANN]. I ask unanimous consent that the printed hearings be corrected accordingly.

The CHAIRMAN. The gentleman's request is not in order in the Committee of the Whole.

All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That notwithstanding any other provision of law, until the close of business on June 30, 1939, the Reconstruction Finance Corporation is hereby authorized to continue to perform all functions which it is authorized to perform under law, and the liquidation and winding up of the Corporation's affairs as provided for by section 13 of the Reconstruction Finance Corporation Act, as amended, are hereby postponed during the period that functions of the Corporation are continued pursuant to this act: *Provided,* That in order to facilitate the withdrawal of the credit activities of the Corporation when from time to time during such period the President finds, upon a report of the Board of Directors of the Corporation or otherwise, that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the directors to suspend the exercise by the Corporation of any such lending authority for such time or times as he may deem advisable.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 1, line 11, after the word "Act", strike out the remainder of line 11 and all of lines 1 to 10 on page 2.

Mr. WOLCOTT. Mr. Chairman, we have seen fit this afternoon to try to interpret this proviso of section 1 to mean we are limiting the power of the President over policies of the Reconstruction Finance Corporation. However, a careful reading of this proviso reveals it does not repeal the existing law which gives the President authority to terminate the Reconstruction Finance Corporation, but, on the contrary, in addition to the power he now has to terminate the Reconstruction Finance Corporation, he is clothed with power, according to the interpretation placed upon this proviso by Mr. Alley, general counsel of the Reconstruction Finance Corporation, to direct the Reconstruction Finance Corporation to suspend any particular activity.

In this connection, may I read from the testimony of Mr. Alley, who has the responsibility of interpreting this act as it applies to the Board which he represents? The following appears on page 3 of the hearings:

Mr. HANCOCK. Doesn't the President have that power?

Mr. ALLEY. He has the power to terminate entirely, but no power to suspend. The power to terminate is a definite one. But if terminated, there will be no power to start the wheels of lending again. And, as I understand, one of the purposes of the Reconstruction Finance Corporation, if it is extended, is to make it a stand-by agency in case of need, and the President of the United States, if he finds that the lenders engaged in the mortgage-loan field, that is, the mortgage companies are taking care of amply of needful loans, he can direct the Board to discontinue lending in the mortgage field or any commodity field, for instance.

That is the interpretation which the man who will have to interpret it for the board he represents places upon this provision. Who are we to say otherwise? After all, it is his interpretation which counts and not our interpretation, because the President can with a stroke of the pen negative the legislative intent which we spoke about today. Regardless of our action here today, he can with a stroke of the pen nullify our action.

May I ask you gentlemen who fought so valiantly for an authorization to loan money to small industry, my friends who so valiantly fought for loans to irrigation and drainage districts, to mining companies, what are you going to do? Are you going to allow the President of the United States to nullify these activities and your express legislative purpose in granting to the Reconstruction Finance Corporation these authorities? If left within the bill, you are doing exactly that thing. What are you gentlemen who favored helping the school districts of the West, the Midwest, and the East going to do? Are you going to put yourselves in the paradoxical position of saying to the Reconstruction Finance Corporation, "You are authorized to

make the loans", and then turn right around and tell the President he may nullify your action by telling the Reconstruction Finance Corporation that the loans shall not be made? It does seem to me, Mr. Chairman, the Members on that side are looking around for an opportunity to show the President that they want to give him every possible power that is at their command to give him.

You have picked out a delightful bill to do this, I am sure. This Corporation is in the midst of liquidation and still you come in here at this late hour and grant the President authority to formulate the loan policy of the Reconstruction Finance Corporation. Why did you not do this when it was needed, if it was ever needed, 4 years ago? Are you looking for opportunities to delegate your authority? You are not that lazy-minded. You are men of ability. You are men with some strength of character and some intellectual honesty. I do not believe you want to delegate this authority or this power to negative your acts to any individual, no matter how much faith you may have in his ability or integrity.

The adoption of my amendment will continue the Reconstruction Finance Corporation, in statu quo, just as I think the majority of this House want it continued.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, the position of the gentleman from Michigan comes more or less as a surprise in view of the history of this legislation. It will be recalled that the original Reconstruction Finance Corporation Act, submitted to the Congress by the Hoover administration, sought to afford aid to banks, insurance companies, and railroads, the great financial institutions of the country. There were certain liberalizing amendments incorporated in the bill at that time which were proposed by the Banking and Currency Committee of the House and adopted by the House. These liberalizing amendments to the bill were adopted by a Democratic House of Representatives. One provision which was incorporated by the subcommittee that drafted the bill and by the Committee on Banking and Currency, which was also adopted by a Democratic House and finally became a part of the law, was to make closed banks eligible for loans at the R. F. C. for the benefit of depositors in such institutions. I wrote this amendment with my own hands, if I may say so, and I fought for it all the way to its passage. The administration at that time opposed the passage of that provision of the act and fought it all the way into the conference between the two Houses, and so it was as to every liberalizing amendment that was adopted at that time. Everything that has been done for the benefit of the people, about whom my good friend the gentleman from Michigan is so solicitous, has been put in this legislation under a Democratic administration and under the leadership of the present occupant of the White House, upon whom we are conferring in this bill the power which the gentleman from Michigan deplors.

This is all there is in the situation. If we want to continue the activities of the Corporation until the end of the fiscal year 1939, we have only to adopt this amendment and leave the law as it is; but, certainly, it is desirable—and I employ the language of the bill—that as soon as the President ascertains that sufficient funds from private sources are available to meet legitimate demands at fair rates the activities of the Corporation may be terminated. Surely it is the desire of every Member of the House, as well as the people of the country, that the Corporation shall not be given useless or unnecessary power to operate over an arbitrary period of time, during which the Corporation would be besieged with applications for loans which it would not be desirable to employ the necessary personnel to handle. I think everybody agrees that as soon as funds are available for legitimate credit demands from normal sources the Corporation should cease its activities; and we are conferring this power upon the President, and the record justifies the statement that the President will not arbitrarily terminate any of these powers because we are under obligation to him for many of the liberalizing provisions of existing law.

Mr. Chairman, I move that all debate on the pending amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 41, noes 123.

So the amendment was rejected.

Mr. COCHRAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: Page 2, after line 10, insert the following:

"The Reconstruction Finance Corporation Act, as amended, is hereby amended by inserting after section 5e thereof the following new section:

"Sec. 5f. The Reconstruction Finance Corporation is authorized and empowered to make loans to any public or private hospital organized under the laws of any State upon the same terms and conditions and subject to the same limitations as are applicable in the case of loans to financial institutions specified in section 5 of this act, as amended."

Mr. COCHRAN. Mr. Chairman, for a number of years I have tried to get an amendment to the Reconstruction Finance Corporation Act providing that hospitals shall receive the same recognition that others are receiving. The hospitals of this country have been in need of as much assistance during this depression as any other business in the United States.

When a man or a woman is taken to a hospital, an emergency case, they are not stopped and asked if they have money to pay the bill. They are taken in. But in the end it develops many have not had money to pay. That means it is put on the books. Millions of dollars are owed to the hospitals in your district and in my district. I cannot conceive of a better loan.

I know there is not a Member of this House who served in the two preceding Congresses who did not receive an appeal from the hospitals of their district to give them the same privileges in the Reconstruction Finance Corporation as other corporations receive. They should get it. Have you ever stopped to think what would happen if the hospitals could not carry on and closed? The sick would have no place to go in an emergency. The purpose of the amendment is to permit the hospitals to refinance, reduce the interest rates on their obligations, so they can carry on and continue their charity work.

This amendment clearly states that it is subject to the same limitations as other borrowers are subject to now. In other words, they must post sufficient collateral to secure recognition. No one is asking to get a loan that cannot comply with the rules and regulations of the Corporation. If you continue to close the door to the hospitals they might be required to close their doors to the sick and disabled. There is merit to this proposal.

I hope the Committee will pass this amendment and give the hospitals of the country an opportunity to refinance their obligations and reduce the interest rate; that is what they want to do, and it can be done through the Reconstruction Finance Corporation if you agree to the amendment. [Applause.]

Mr. STEAGALL. Mr. Chairman, this amendment has been rejected repeatedly during past sessions of Congress. I think it undesirable at this late hour, when liquidation of the Corporation is so much desired, and in fact in progress, that we should embark on the policy provided for in this amendment.

Another reason why it would be undesirable to adopt this amendment at this time is that this legislation must be passed expeditiously if we accomplish the purpose that is desired. If this amendment is adopted, it will throw the bill into conference and delay its passage.

Mr. Chairman, I move that all debate on this amendment now close.

Mr. COCHRAN. If the gentleman will yield? The gentleman has made the same argument against this amendment to the Reconstruction Finance Corporation Act heretofore. This legislation does not have to be passed until next

week and the amendment can go to the Senate. There is no reason for hurry. It will only hold up loans a day or two if the bill does not get there in time. It does not mean that the Reconstruction Finance Corporation is going out of business entirely if the bill is not passed today. I repeat every time I have offered this amendment the gentleman has made the same objection. I would like the gentleman to tell the House why the hospitals cannot offer security as good as the railroads or other corporations of this country.

Mr. STEAGALL. Mr. Chairman, I decline to yield further and I renew my motion that all debate on this amendment be now closed.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The question was taken; and on a division (demanded by Mr. COCHRAN) there were 71 ayes and 88 noes.

Mr. CONNERY. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Massachusetts demands tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Nine Members have risen, not a sufficient number, and tellers are refused.

So the amendment was rejected.

Mr. CASE of South Dakota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 2, after line 11, insert the following:

"Section 16 of the act approved June 19, 1934, Public, No. 417, Seventy-third Congress, is hereby amended by striking out 'January 31, 1935' and inserting in lieu thereof 'June 30, 1939', and by striking out 'June 1, 1934' and inserting in lieu thereof 'June 30, 1938.'"

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota. Debate has been closed on this section and all amendments thereto.

Mr. WOLCOTT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WOLCOTT. Do I understand that all debate has been closed?

The CHAIRMAN. Debate has been closed on this section and all amendments thereto by a vote of the Committee.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. I do not think the motion provided "all amendments thereto." The motion made by the Chairman was that all debate on this section be closed.

The CHAIRMAN. The Chair has a very distinct recollection of stating the question as to whether or not debate should close on this section and all amendments thereto, and so put the question, and the motion was adopted.

Mr. MICHENER. I referred to what the motion stated.

Mr. WOLCOTT. Mr. Chairman, I ask unanimous consent that the gentleman from South Dakota be allowed to proceed for 5 minutes.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the gentleman from South Dakota may proceed for 5 minutes. Is there objection?

Mr. RAYBURN. Mr. Chairman, I reserve the right to object. This is just like going up the hill and coming down again.

Mr. WOLCOTT. There was a misunderstanding on our part, because the gentleman from South Dakota intended to offer this amendment and debate it.

Mr. RAYBURN. I was in the Chamber when the gentleman discussed the amendment and I feel constrained to object.

Mr. CASE of South Dakota. Mr. Chairman, I offer a preferential motion, which I send to the desk.

The CHAIRMAN. The Chair would inquire of the gentleman from Michigan if this is his motion?

Mr. WOLCOTT. Mr. Chairman, the gentleman from South Dakota makes a written motion to strike out the enacting clause.

The CHAIRMAN. The gentleman from South Dakota offers a motion, which the Clerk will report.

The Clerk read as follows:

Mr. CASE of South Dakota moves to strike out the enacting clause.

The CHAIRMAN. The motion submitted is not in proper form.

Mr. WITHROW. Mr. Chairman, I offer a preferential motion, which I send to the desk.

Mr. RAYBURN. Mr. Chairman, did the gentleman from South Dakota withdraw his first amendment?

The CHAIRMAN. That amendment is still pending.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to withdraw that amendment so as to offer it at the close of another section.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. WITHROW moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. WITHROW. Mr. Chairman, I moved to strike out the enacting clause for the purpose of addressing the House relative to an amendment that I have on the Clerk's desk. I think it is very unfair that debate upon this important question was shut off so quickly. My amendment would provide that all loans of over \$1,000,000 would have to have the approval of the President of the United States.

I want to address my remarks for a moment to the statement of the gentleman from Michigan, who read a letter from Mr. Jesse Jones, now Chairman of the Reconstruction Finance Corporation, who was a member of the Reconstruction Finance Corporation, under Chairman Charles Dawes, when the loan to the Central Republic Trust Co. was approved. The letter states that instead of the Central Republic transaction being a \$50,000,000 "racket" it was only a \$10,000,000 "steal." My colleagues, the original loan of \$90,000,000 had been reduced by a transfer of assets to the R. F. C. by the bank to approximately \$55,000,000 at the time the case went to trial, January 23, 1936. Mr. Chairman, if Jesse Jones, as Chairman of the Reconstruction Finance Corporation, is able to wheedle out of the assets of the Central Republic Trust Co., of Chicago, Ill., enough cash so that he can cut down the loss to \$10,000,000, then I say to you that he is in reality performing a feat of magic. He is pulling the rabbit out of the hat. I sincerely hope this amendment will be adopted, so as to put an end to this type of "racketeering within the law."

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. Yes, indeed.

Mr. CONNERY. As I understand the purpose of the gentleman's amendment, it is that the President himself must approve all loans over \$1,000,000, so that the R. F. C. can look after the little fellow for a change and forget the forty-million-dollar boy.

Mr. WITHROW. That would be the result. I thank the gentleman.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I am pleased to yield.

Mr. THOMAS of New Jersey. The gentleman from Wisconsin really refers to this loan to the Central Republic Bank in terms which would make us believe it was the only bad loan ever made by the Reconstruction Finance Corporation. I would like to know whether the gentleman knows of any bad loans that were made in the State of Wisconsin.

Mr. WITHROW. Maybe there have been bad loans made in Wisconsin. I will say this to the gentleman, that the loan in question here represents the most flagrant violation of the authority and confidence placed in an agency by the Congress that I know of.

Mr. STEAGALL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. STEAGALL. This debate is not directed to the amendment before the committee.

The CHAIRMAN. Of course, the motion to strike out the enacting clause naturally brings into scope the entire bill under consideration.

The time of the gentleman from Wisconsin has expired.

Does the gentleman from Alabama seek recognition in opposition to the motion?

Mr. STEAGALL. I do not.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, this has been a rather singular debate this afternoon, for in the time I have been in the Chamber I have heard the Reconstruction Finance Corporation reproached for being so niggardly in the matter of industrial loans, and then I observe the gentleman from Wisconsin indicating they were too generous in the matter of making loans and that some restriction ought to be placed upon their authority.

I am wondering what the temper of the House is between those two extremes.

Permit me a word in defense of the Reconstruction Finance Corporation. I sat on the Committee on Banking and Currency with the gentleman from Alabama [Mr. STEAGALL] and a great many others when we were seeking to fashion language under which the Reconstruction Finance Corporation could operate in connection with so-called industrial loans. We talked about the need for supplying adequate collateral before an industrial loan would be granted. We talked about such language as "reasonable security." Members of the committee will bear out the time spent in seeking to fashion the right kind of language that would operate for the guidance of the Reconstruction Finance Corporation, and you can readily believe that it is difficult to find language to cover all cases coming before the R. F. C.

Nobody had more cause for being aggrieved about their industrial loan procedure than I, for I prevailed upon some of the industries in my district to spend \$2,000 for an audit, and then went to the regional office of the Reconstruction Finance Corporation, only to find that the loan could not be made. But we learned exactly what the gentleman from Massachusetts has doubtless found before, and that is that too often the money was to be used to pay taxes; too often it was to be used to liquidate old debts; too often it was to be used to retire some delinquency that showed up in the report of the corporation; and too often the money was not to be used for the purpose of stimulating employment. Very properly, therefore, under the language of the law, the Reconstruction Finance Corporation turned them down.

They have done a pretty fair job here, I should say. I fancy if you will examine most of these applications for industrial loans you will find there was probably good reason for turning them down. I will say to the membership of this House if you want to dip into the Federal Treasury and you want to broadcast the taxpayers' money into all corners of the 48 sovereign States, then there is only one thing you have to do, and it is within your power. Strike out the word "loan" in all Reconstruction Finance Corporation authorizations and supply the word "give", and then you have done it. That is all that is necessary.

We were trying somehow to define the line between "loan" and "gift", make them generous and at the same time have proper regard for the Nation's purse. I say to you that it cannot be done, but if you want to spend this money like drunken sailors, then you use the word "give" instead of "loan", and the job is done.

It is no easy matter to administer a corporation of 2,600 people, making mining loans, fishing loans, catastrophe loans, closed-bank loans, and a half a hundred other kinds of loans. To the huge task of the Reconstruction Finance Corporation must be brought a rare degree of discernment in order to discharge the responsibilities that go with that Corporation.

When Mr. Jones comes before the committee and says he turned into the Federal Treasury \$190,000,000 in interest, and made \$225,000 in profits out of the bonds that he took from the Chicago school district, when he shows a splendid record of earnings, and a proper regard for the administration of public funds, I doubt whether we are on good ground when we seek to reproach the operations and administration of the Reconstruction Finance Corporation. But if you want them to be generous, if you want them to throw the money everywhere, if you want them to disregard the taxpayers of the country, all you have to do is to substitute the word "give" for the word "loan", and you have done the job. That, however, is our responsibility and not his. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the motion of the gentleman from Wisconsin [Mr. WITHROW] to strike out the enacting clause.

The motion was rejected.

Mr. ENGEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGEL: On page 2, line 10, after the word "advisable", strike out the period and insert the following: "Provided further, That no loan shall be made to any individual or corporation for the purpose of engaging in any business not heretofore engaged in".

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. ENGEL].

The amendment was rejected.

Mr. WITHROW. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WITHROW: On page 2, line 10, strike out the period, insert in lieu thereof a colon and the following: "Provided further, That hereafter, except with the approval of the President in each case, the corporation shall not make any loan to any borrower if the aggregate amount of the loans by the corporation to such borrower already exceeds \$1,000,000 or would exceed \$1,000,000 if such loan were made."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was rejected.

The Clerk read as follows:

SEC. 2. (a) Section 7 of the act approved January 31, 1935 (Public, No. 1, 74th Cong.), is hereby amended by striking from the first sentence thereof "April 1, 1937" and inserting in lieu thereof "the close of business on June 30, 1939"; section 1 of the act approved March 31, 1936 (Public, No. 484, 74th Cong.), is hereby amended by striking from the first sentence thereof "February 1, 1937" and inserting in lieu thereof "the close of business on June 30, 1939"; section 9 of the act approved January 31, 1935 (Public, No. 1, 74th Cong.), is hereby amended by striking from the first sentence thereof "June 16, 1937" and inserting in lieu thereof "the close of business on June 30, 1939".

(b) The agencies referred to in the acts referred to in subdivision (a) of this section, and the Reconstruction Finance Construction Mortgage Co., shall be deemed to be established by or pursuant to law within the meaning of section 7 (a) of the First Deficiency Appropriation Act, fiscal year 1936.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from North Dakota is recognized.

Mr. BURDICK. Mr. Chairman, the people of the Northwest are very much concerned about putting some supervision over the Reconstruction Finance Corporation. You will recall that in 1932, when this Corporation was organized to serve the Northwest, there was established at Minneapolis, Minn., a branch bank of that institution.

Mr. Chairman, on March 19, 1935, I gave the whole history of this Government finance set-up in the Northwest in the following statement:

Mr. BURDICK. Mr. Speaker, the Reconstruction Finance Corporation was organized February 2, 1932. Capital stock, \$500,000,000 paid by the Treasurer of the United States. Limit of indebtedness, \$3,750,000,000 plus the following:

A. One hundred and twenty-five million dollars available for stock in Home Owners' Loan Corporation.

B. Such amounts necessary for:

(a) To purchase preferred stock in banks or to make loans on such stock.

(b) To make loans to Secretary of Agriculture on cotton.

(c) To provide funds for Federal housing.

C. Amount not to exceed \$50,000,000 to purchase preferred stock and notes of insurance companies.

D. The sum of \$500,000,000 to enable the Federal Relief Administration to make grants to States and Territories for relief work.

E. For \$300,000,000 to be allocated to the Federal Land Bank Commissioner for loans to joint-stock land banks and to farmers.

F. Not to exceed \$200,000,000 to allocate funds to Secretary of the Treasury to make payments for subscriptions to capital stock of the Home Owners' Loan Corporation.

G. Not exceeding \$250,000,000 to purchase at par value of debentures and other obligations of the Federal Deposit Insurance Corporation.

H. Not exceeding \$250,000,000 to purchase marketable securities acquired by the Federal Emergency Administration of Public Works.

It will thus be seen that the purposes and provisions of this act were far-reaching and extended into every phase of relief, and therefore should have always remained nonpartisan and in the hands of the people. No one could possibly conceive that this great institution was to be prostituted to the private banking and business interests of the Northwest to be used and operated by their agents and representatives for their own interests and not for the people. No one dreamed that the two bank organizations of the Twin Cities, namely, the Northwest Bancorporation and its twin sister, the First Bank Stock Corporation, were soon to fasten their tentacles around the throat of this great public enterprise. Yet in the Northwest such was the fate of this Government corporation.

When the office was set up in the city of Minneapolis we find in control, and with minor changes they still control the destinies of this great public benefactor in the Northwest:

Joseph Chapman, of the Northwest National Bank of Minneapolis and the Northwest Bank Corporation. Was the first manager and served to September 30, 1934. Republican.

Ben Maynard, acting manager. Formerly with the First National Bank of Minneapolis, the originator of the bogus holding company known as the First Bank Stock Corporation. Republican.

T. F. Wallace, advisory committee; director, First National Bank of Minneapolis, and member, First Bank Stock Corporation. Republican.

Elmer E. Adams, president, First National Bank of Fergus Falls, member of First Bank Stock Corporation. Republican.

E. S. Bice, banker, Michigan. Republican.

E. W. Decker, president of the Northwest Bank Corporation. Republican.

C. T. Jaffray, advisory committee, former chairman, board of directors of First National Bank, Minneapolis; president of Soo Line Railroad Co.; one of the organizers of the First Bank Stock Corporation. President of the Minneapolis Trust Joint Stock Land Bank. Republican.

John Oace, vice president of the First National of St. Paul; director of the First Bank Stock Corporation. Republican.

Here we have the direct proof of the fact that representatives of these two bank-holding companies gained and still have control of the Government's Finance Corporation.

Through the control of this organization they could serve the following institutions:

First. Buy bank stock and obligations.

Second. Direct grants for relief.

Third. Grant loans to Land Bank Commissioner.

Fourth. Allocate funds for purchase of stock in Home Owners' Loan banks.

Fifth. Allocate fund for Federal Deposit Insurance.

Sixth. Purchase securities acquired by the Public Works Administration.

No greater power over the people could have ever been usurped by this designing band of financial racketeers.

While these chief officials of the Reconstruction Finance Corporation in Minneapolis were acting as officers of this institution, they were, at the same time, organizing a chain-bank monopoly in the Northwest through the instrumentality of the Northwest Bancorporation and the First Bank Stock Corporation. They traded stock of these two corporations to bank stockholders in the Northwest for control of these banks; and while they disposed of their stock for 60 and 90 cents on the dollar, that stock has been practically worthless for the last 4 years. Being in a position to extend financial relief to the Northwest through their connection with the Reconstruction Finance Corporation, they practically forced 90 percent of the best banks of the Northwest to submit to their manipulated control.

These men gained their position through appointments during the Hoover administration, and nearly every one of them was a reactionary, hard-boiled, and stand-pat Republican, and it has been a difficult job to dislodge them. Many of them are still in control.

Are the people of the Northwest willing to let institutions of this character determine the loaning policy of the Government? Do you not think we should exercise some control of these institutions and give and delegate to the Presi-

dent the power to determine from the facts when the terms and rates of loans are just?

It would be a most dangerous thing for this Congress to take the position that an appointive board, such as the Reconstruction Finance Corporation, should determine the policy of that Government agency. This Congress can constitutionally give this Corporation directions and authorize it to carry out the purposes of the act, but to say that this appointive board shall have power 3 months from now or 9 months from now to determine absolutely the policy of the administration of the act would not only be wrong in principle but it would also, I believe, be unconstitutional.

This Congress does not always sit—it adjourns—and hence it is necessary to have the supervisory power of these corporations always active. This power can be exercised by the executive department of the Government, which, under the Constitution, is charged with the duty of carrying out the laws passed by Congress. The President is that Executive officer. Under the Constitution he is responsible for the execution of the laws. He is responsible to the people of the whole country. He is the people's agent as well as the agent of Congress, and the only agent authorized by the Constitution to carry out the laws passed by the people.

In this bill we are giving the President the power to examine the facts for us and determine when a condition has arisen when the private interests of the country are able and willing to advance credit that shall be just in terms and rates. The Reconstruction Finance Corporation, under this authority given the President, will proceed to loan when the conditions require it and will suspend when private loans are available under just conditions. It is a power over private credit that should have long ago been exercised by this Government.

This act extends the life of the Reconstruction Finance Corporation until June 30, 1939. The provisions of the act may or may not be exercised during this period, depending on the ability and willingness of private business to extend credit on terms that are just as to time and rates. If private business can perform the service, then it may be free to do so; if it fails, this Government agency will step in to perform that service. I do not see how a single Member of Congress can find any possible excuse for not supporting this feature of the act.

I am, therefore, in favor of the act and trust that the protests offered by the disciples of the private banking oligarchy of the country will not prevail.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD and to include what I said upon this subject a year ago.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, I shall not need the 5 minutes allowed me under the rules, for I only want to read the original section about loans for school districts and the payment of teachers' salaries in the earlier set-up for the Reconstruction Finance Corporation, and to explain how the amendment which I shall then offer without debate will restore it to life.

Section 16 of the act, Public, No. 417, that was passed by the Seventy-third Congress, provided as follows:

The Reconstruction Finance Corporation is hereby authorized and empowered to make loans at any time prior to January 31, 1935, out of the funds of the Corporation upon full and adequate security, to public school districts or other similar public school authorities organized pursuant to law, for the purpose of the payment of teachers' salaries due prior to June 1, 1934: *Provided*, That the aggregate amount of such loans at any time outstanding shall not exceed \$75,000,000.

That was the law passed by the Seventy-third Congress. In the Seventy-fourth Congress an act was passed to authorize loans up to \$10,000,000 to school districts, but that was restricted to construction, operation, and maintenance. Maintenance might seem to provide for the payment of teachers' salaries, but a special section was added at the

end of Public Act No. 325, of the Seventy-fourth Congress. Under the provisions of this section:

No loan shall be made by the Corporation under this act where any part of the proceeds of such loan are to be used for purposes authorized by section 16 of the act approved June 19, 1934, Public, No. 417, of the Seventy-third Congress.

In other words, the last section put a particular construction on the act. The money could be used to pay the salaries of janitors or for construction, but its use for the payment of teachers' salaries was denied.

The purpose of my amendment is to restore the original authorization for the R. F. C. to lend money to pay teachers' salaries. It does this simply by putting in new dates, the same way these other powers are extended. I do not think anyone in this Chamber will want to debate it. The only opposition I have heard is that perhaps it might delay the bill and throw it into conference. The answer to that, however, is found in the President's inaugural address when, after speaking of the denial of opportunities for education, after having painted that picture, he said:

If I know aught of the spirit and purpose of our Nation, we will not listen to comfort, opportunism, and timidity. We will carry on.

I submit, Mr. Chairman, that I for one am unwilling that this Congress shall go on record as saying, "We will continue loans for speculating in cotton, we will continue loans to reorganize banks, to reorganize insurance companies that are on the verge of insolvency, but we will deny aid to the school districts of the country."

At the proper time I shall offer my amendment without debate, and I hope it will be supported.

Mr. MARTIN of Massachusetts. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Massachusetts: On page 2, line 19, strike out "Section 9" and all of lines 20, 21, 22, 23, and 24.

Mr. MARTIN of Massachusetts. Mr. Chairman, the amendment I have offered is very simple and would deny the extension at this time of any powers to the Export and Import Bank. I offer this amendment solely upon information which was given to the committee by Mr. Jesse Jones, who has been proclaimed here today as an expert on Government matters.

Mr. Jones said all this agency had ever done could be put in your vest pocket. He further stated it was not being used at the present time and he did not know of any use it might be put to in the immediate future. He wanted the continuance so he might have the power if he desired to use it.

Mr. Chairman, in the meantime we have three high-salaried officials, a good many clerks, and other help who are drawing pay.

I can see there can be no expectancy of any abolition of commissions and bureaus if this one is continued under the evidence presented. If we are going to have any economies, let us begin with an agency Mr. Jones says is not doing anything. Let us make a start.

Mr. Chairman, I hope my amendment will be adopted.

Mr. FISH. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York.

Mr. FISH. Is it not a fact that the President states the depression is over and there is no need for these emergency powers? Is it not time we recall these emergency powers, particularly when they are not being used?

Mr. MARTIN of Massachusetts. I find the emergency is over when you are making a speech, but when you want legislation it still exists. I have noticed that frequently of late.

Mr. FORD of California. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from California.

Mr. FORD of California. Does the gentleman recall that Jesse Jones said he was going to use this as a shotgun in the corner?

Mr. MARTIN of Massachusetts. I do not know anything about the California-Texas language in this respect.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Massachusetts has quoted Mr. Jones, but he does not properly present Mr. Jones' attitude in reference to this matter. Therefore I want to call to the attention of the Members of the House certain statements made by Mr. Jones in the hearings. The volume of business conducted by the Export-Import Bank, as compared to the enormous volume of business done by the Reconstruction Finance Corporation, is trivial; but Mr. Jones urged the continuance of the Export-Import Bank and pledged the support of the Reconstruction Finance Corporation to the Export-Import Bank as an important part of this machinery to promote recovery to the business interests of the country.

Mr. FORD of California. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from California.

Mr. FORD of California. Did not Mr. Pearson, president of the bank, state in your presence this morning that in the last 8 months its profits were \$399,000?

Mr. STEAGALL. Oh, yes; it has operated at a profit, and the business is increasing. I simply wanted to correct the impression in reference to Mr. Jones.

Mr. SPENCE. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Jones stated in answer to a question by the gentleman from Michigan [Mr. WOLCOTT]:

It is a good piece of machinery to have if we ever get to where we can move some of our commodities over there.

Mr. STEAGALL. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I offer this pro-forma amendment for the purpose of asking the chairman of the Banking and Currency Committee a question. There is some concern among certain banks of the country as to the preferred stock held by the R. F. C. and with reference to what disposition the R. F. C. will probably make of those stocks. Can the chairman give us any information with reference to that matter? I refer to preferred stock held by the R. F. C. in State banks, the cost of which is being amortized, but which may be disposed of by the R. F. C. along with the mortgages, bonds, and debentures that are being sold. Is there any information on that subject which the chairman could furnish us?

Mr. STEAGALL. I think I am justified in assuring the gentleman it is the policy of the R. F. C. now, and it has obtained up to the present time, to have those loans worked out constructively and in cooperation with the banks as far as possible, with the State banking authorities in the case of State banks, and along with the Federal Deposit Insurance Corporation. I think we are justified in saying the services of the Corporation in this connection have been of great value to the country, and we certainly have no reason to believe that its policies will not be as wise and as helpful in the future.

Mr. CRAWFORD. Does the chairman feel there is any chance whatsoever of the R. F. C. disposing of these stocks to parties who may attempt to dominate in an adverse manner the State banks involved?

Mr. STEAGALL. I think I can assure the gentleman that no such policy is in contemplation.

The pro-forma amendment was withdrawn.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 2, line 24, strike out the period and insert in lieu thereof a semicolon and the following: "section 16 of the act approved June 19, 1934 (Public, No. 417, 73d Cong.), is hereby amended by striking out 'January 31, 1935' and inserting in lieu thereof 'June 30, 1939', by striking out 'June 1, 1934' and inserting in lieu thereof 'June 30, 1938'."

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The question was taken; and on a division (demanded by Mr. CASE of South Dakota) there were—ayes 39, noes 92. So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill (S. 415) to continue the functions of the Reconstruction Finance Corporation, and for other purposes, pursuant to House Resolution 79, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

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

Mr. COCHRAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman from Missouri opposed to the bill?

Mr. COCHRAN. Yes, Mr. Speaker; in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. COCHRAN moves to recommit the bill to the Committee on Banking and Currency with instructions to that committee to report the same back forthwith with the following amendment: On page 2, line 10, insert the following:

"Sec. 2. The Reconstruction Finance Corporation Act, as amended, is hereby amended by inserting, after section 5 (e) thereof, the following new section:

"Sec. 5 (f). The Reconstruction Finance Corporation is authorized and empowered to make loans to any public or private hospital organized under the laws of any State upon the same terms and conditions and subject to the same limitations as are applicable in the case of loans to financial institutions specified in section 5 of this act, as amended."

On motion of Mr. STEAGALL, the previous question was ordered on the motion to recommit.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. COCHRAN) there were—ayes 9, noes 176.

Mr. COCHRAN. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-one Members present, a quorum.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. STEAGALL, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS

Mr. HANCOCK of North Carolina, Mr. SPENCE, Mr. CONNERY, Mr. ENGEL, Mr. MARTIN of Massachusetts, Mr. DONDERO, Mr. COCHRAN, Mr. FISH, Mr. CASE of South Dakota, and Mr. WITHROW asked and were given permission to revise and extend their remarks in the RECORD.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a resolution adopted by a group of Congressmen this morning on the subject of public power.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM (H. DOC. NO. 135)

The SPEAKER laid before the House the following communication from the President of the United States, which was read and referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended

June 30, 1935, 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 22, 1937.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, on yesterday when my friend and colleague from New York [Mr. BOYLAN] asked for permission to extend his remarks in the RECORD and print a speech of George Henry Payne, a member of the Radio Commission, I asked him if it was not a fact that we had a speech a few days ago printed in the RECORD, and he said that was the first time this session. I thought I was right then, but, of course, I might have been wrong. I find that I was right. The gentleman from New York [Mr. MEAD] a week ago asked unanimous consent to extend his remarks in the RECORD by printing a speech of Mr. Payne's.

I simply wanted to show that I was right when I reserved the objection to the request of the gentleman from New York [Mr. BOYLAN].

S. 415

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Speaker may be authorized to sign the bill S. 415, notwithstanding the House is not in session.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ROBERTSON, for today (at the request of Mr. BLAND).

To Mr. HIGGINS, indefinitely, on account of illness.

To Mr. ELLENBOGEN, for 1 day, on account of business.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 4. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk, Va., land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough; to the Committee on Coinage, Weights, and Measures.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 416. An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House, under its previous order, adjourned until Monday, January 25, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., January 28, 1937. Business to be considered: Open hearing on H. R. 1668, long-and-short-haul bill. In view of the exhaustive hearing held

in the previous Congress, the committee desires to make this hearing as brief as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

276. A letter from the Secretary of War, transmitting a draft of a bill to place accountability for disbursement of public moneys or disposal of public property upon commanding officers directing such disbursement or disposal, which the War Department presents for the consideration of the Congress with a view to its enactment into law; to the Committee on Expenditures in the Executive Departments.

277. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 18, 1937, submitting a report, together with accompanying papers, on a preliminary examination of channel between Travers Island and Glen Island, N. Y., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

278. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 18, 1937, submitting a report, together with accompanying papers, on a preliminary examination of Wicomico River, Md., from Chaptico Wharf to Budd's Landing, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

279. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 18, 1937, submitting a report, together with accompanying papers, on a preliminary examination and survey of Stonington Harbor, Maine, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

280. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 18, 1937, submitting a report, together with accompanying papers, on a preliminary examination of waterway to connect the Tombigbee and Alabama Rivers with the Perdido River, Ala. and Fla., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

281. A letter from the Attorney General, transmitting a draft of a bill to provide for the taking of depositions by the prosecution in criminal cases; to the Committee on the Judiciary.

282. A letter from the Attorney General, transmitting a draft of a bill to permit a person charged with a criminal offense to waive indictment and to consent to prosecution by information; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on the District of Columbia. H. R. 148. A bill to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936; without amendment (Rept. No. 17). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 2898. A bill to amend section 1 of the act of Congress entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the Fire Department of the District of Columbia", approved May 27, 1924, and for other purposes; without amendment (Rept. No. 18). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on World War Veterans' Legislation was discharged from the consideration

of the bill (H. R. 2231) for the relief of Charles E. Black, and the same was referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Missouri: A bill (H. R. 3465) to authorize the War Department to construct a military bridge across the Mississippi River between Jefferson Barracks, Mo., and Scott Field, Ill. to the Committee on Military Affairs.

By Mr. BLOOM: A bill (H. R. 3466) to give certain civil-service employees of the War Department credit, under the Retirement Act of May 22, 1920, and such act as amended, for service rendered as telephone operators between March 1, 1918, and August 15, 1925, inclusive; to the Committee on the Civil Service.

By Mr. BURCH: A bill (H. R. 3467) to adjust the salaries of rural letter carriers, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. COLE of New York: A bill (H. R. 3468) to amend section 148 (d) of the Revenue Act of 1934; to the Committee on Ways and Means.

By Mr. FERNANDEZ: A bill (H. R. 3469) to authorize the erection of a United States Veterans' Administration Hospital and Home of Domiciliary Care in the parish of Orleans, State of Louisiana; to the Committee on World War Veterans' Legislation.

By Mrs. JENCKES of Indiana: A bill (H. R. 3470) to incorporate the American Indian Federation; to the Committee on the Judiciary.

By Mr. KING: A bill (H. R. 3471) to permit alien wives of American citizens who were married prior to the approval of the Immigration Act of 1924 to enter the United States; to the Committee on Immigration and Naturalization.

By Mr. KNUTSON: A bill (H. R. 3472) to extend the time for making payments on certain crop loans; to the Committee on Agriculture.

By Mr. McREYNOLDS: A bill (H. R. 3473) to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China; to the Committee on Foreign Affairs.

By Mr. PALMISANO: A bill (H. R. 3474) to amend the District of Columbia Alcoholic Beverage Control Act by amending section 20; to the Committee on the District of Columbia.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 3475) providing for a census to determine the extent of child labor in the United States, and for other purposes; to the Committee on the Census.

By Mr. SMITH of Connecticut: A bill (H. R. 3476) to provide for the conveyance of certain property to the city of Torrington, Conn.; to the Committee on Public Buildings and Grounds.

By Mr. SMITH of Washington: A bill (H. R. 3477) for the purpose of authorizing the Director of the Census to collect and publish statistics of red cedar shingles; to the Committee on the Census.

By Mr. SWEENEY: A bill (H. R. 3478) to provide for the filling of vacancies in the Motor Vehicle Service; to the Committee on the Post Office and Post Roads.

By Mr. THOMPSON of Illinois: A bill (H. R. 3479) to provide for a term of court at Rock Island, Ill.; to the Committee on the Judiciary.

By Mr. TOLAN: A bill (H. R. 3480) to authorize the acquisition of lands in the city of Oakland, county of Alameda, State of California, as a site for a naval supply base and to authorize the construction and installation of facilities for a naval supply base thereon; to the Committee on Naval Affairs.

By Mr. WALLGREN: A bill (H. R. 3481) to amend section 601 of the Revenue Act of 1932, as amended, to provide for an excise tax on eggs and egg products; to the Committee on Ways and Means.

By Mr. WILLIAMS: A bill (H. R. 3482) to amend section 12B of the Federal Reserve Act; to the Committee on Banking and Currency.

By Mr. WOOD: A bill (H. R. 3483) to extend the civil-service laws to certain special-delivery messengers; to the Committee on the Civil Service.

By Mr. COSTELLO: A bill (H. R. 3484) applying the provisions of the act of August 12, 1935, to the retired pay of officers, warrant officers, members of the Nurse Corps, and enlisted men of the Army, Navy, and Marine Corps, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. McCORMACK: A bill (H. R. 3485) providing for the payment to certain charwomen of compensation at an annual in lieu of an hourly rate; to the Committee on the Civil Service.

By Mr. TINKHAM: A bill (H. R. 3486) providing for the preparation of plans and estimate of cost of erecting a Hall of Fame; to the Committee on Public Buildings and Grounds.

By Mr. HANCOCK of North Carolina: A bill (H. R. 3487) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions; for the development of decent, safe, and sanitary dwellings for families of lowest income, and for the reduction of unemployment and the stimulation of business activity; to create a United States Housing Authority under the direction and control of the Secretary of the Interior; and for other purposes; to the Committee on Banking and Currency.

By Mr. RANKIN: A bill (H. R. 3488) for the development and improvement of navigation, and of electric power on the Potomac River and its tributaries, and control of floods and soil erosion; to the Committee on Rivers and Harbors.

By Mrs. HONEYMAN: A bill (H. R. 3489) to authorize the coinage of 50-cent pieces in commemoration of the completion of Bonneville Dam; to the Committee on Coinage, Weights, and Measures.

By Mr. POWERS: A bill (H. R. 3490) to provide for the establishment of one infantry battalion of Negro troops as a part of the National Guard of the State of New Jersey; to the Committee on Military Affairs.

By Mr. COLLINS: A bill (H. R. 3491) to provide for adequate dental service for the individuals of the Military Establishment of the United States; to the Committee on Military Affairs.

By Mr. CROWTHER: A bill (H. R. 3492) to exempt capital gains from income taxation and to deny deductions for capital losses if the capital asset has been held for 2 years or less; to the Committee on Ways and Means.

By Mr. CALDWELL: A bill (H. R. 3493) to amend section 76 of the Judicial Code, as amended, with respect to the terms of the Federal district court held at Tallahassee, Fla.; to the Committee on the Judiciary.

Also, a bill (H. R. 3494) to authorize the improvement of St. Marks River, Fla.; to the Committee on Rivers and Harbors.

By Mr. McGROARTY: A bill (H. R. 3495) to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act any Indians of California in the State of California; to the Committee on Indian Affairs.

By Mr. TINKHAM: A bill (H. R. 3496) to provide for the construction of an interoceanic ship canal of lock design connecting the waters of the Atlantic and Pacific Oceans; to the Committee on Merchant Marine and Fisheries.

By Mr. KING: Joint resolution (H. J. Res. 141) to authorize the issuance to Sekizo Takahashi of a permit to reenter the United States; to the Committee on Immigration and Naturalization.

By Mr. FISH: Joint resolution (H. J. Res. 142) authorizing the erection of an equestrian statue of Gen. Robert E. Lee in the Arlington National Cemetery; to the Committee on the Library.

By Mr. SIROVICH: Joint resolution (H. J. Res. 143) to repeal section 3 of Public Law No. 808, Seventy-fourth Congress; to the Committee on Merchant Marine and Fisheries.

By Mr. CROWTHER: Joint resolution (H. J. Res. 144) authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. TINKHAM: Joint resolution (H. J. Res. 145) to create a commission to study and report on the feasibility of constructing the Mexican Canal; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARRY: A bill (H. R. 3497) for the relief of Stanislo Hronchich; to the Committee on Immigration and Naturalization.

By Mr. BOILEAU: A bill (H. R. 3498) to provide for the refund of the claim for loss incurred in the burglary of the post office at Vesper, Wis.; to the Committee on Claims.

By Mr. CARLSON: A bill (H. R. 3499) granting an increase of pension to Clara Fowler; to the Committee on Invalid Pensions.

By Mr. CLAYPOOL: A bill (H. R. 3500) for the relief of Esther M. Frey; to the Committee on Claims.

Also, a bill (H. R. 3501) granting a pension to Willard Fulk; to the Committee on Pensions.

Also, a bill (H. R. 3502) granting a pension to Stella Littlejohn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3503) for the relief of George O. Claypool; to the Committee on Claims.

Also, a bill (H. R. 3504) granting a pension to Emma Blosser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3505) granting a pension to Edith Pyle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3506) granting a pension to Amanda Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3507) granting a pension to Mary Emma Bussard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3508) granting a pension to Debbie Klingler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3509) granting a pension to Norma Roush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3510) granting an increase of pension to Eliza Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3511) granting an increase of pension to Ellen J. Vince; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3512) granting an increase of pension to Mary E. Shelton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3513) granting an increase of pension to Jeanette Wallace; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3514) granting an increase of pension to Mary E. Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3515) granting an increase of pension to Martha Buckingham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3516) granting an increase of pension to Eliza Noble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3517) granting an increase of pension to Elizabeth Foughty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3518) granting an increase of pension to Elizabeth B. Orndurf; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3519) granting an increase of pension to Sarah A. Swick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3520) granting an increase of pension to Bertie L. Santee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3521) granting an increase of pension to Flora Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3522) granting an increase of pension to Alwilda Ray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3523) granting an increase of pension to Emma Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3524) granting an increase of pension to Clara Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3525) granting an increase of pension to Delilah Coffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3526) granting an increase of pension to Martha McGraw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3527) granting an increase of pension to Mary M. Devol; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3528) granting an increase of pension to Julia A. Hull; to the Committee on Invalid Pensions.

By Mr. COFFEE of Nebraska: A bill (H. R. 3529) for the relief of James Colton; to the Committee on Claims.

By Mr. COLLINS: A bill (H. R. 3530) to provide compensation for Brig. Gen. George E. Leach for the risk and hazard involved in aerial flights performed in the execution of his duties; to the Committee on Military Affairs.

By Mr. CROWTHER: A bill (H. R. 3531) for the purpose of having the war service of Maybelle Helen LeBrun (Mirhige) credited as active naval service under her rating of yeoman, first class, United States Naval Reserve Forces, and for other purposes; to the Committee on Naval Affairs.

By Mr. CULKIN: A bill (H. R. 3532) granting an increase of pension to Maria Graver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3533) granting an increase of pension to Harriet E. Schram; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3534) granting an increase of pension to Elizabeth M. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3535) granting an increase of pension to Minnie Mayhew; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3536) granting an increase of pension to Catherine Lockwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3537) granting an increase of pension to Cornelia F. Percy; to the Committee on Invalid Pensions.

By Mr. DIXON: A bill (H. R. 3538) granting a pension to Suzanne L. Ryder; to the Committee on Pensions.

Also, a bill (H. R. 3539) for the relief of Victor C. McKenzie; to the Committee on Claims.

By Mr. DOCKWEILER: A bill (H. R. 3540) for the relief of Jessie P. Bleakley; to the Committee on Claims.

Also, a bill (H. R. 3541) for the relief of Paul L. Fruhling; to the Committee on Military Affairs.

Also, a bill (H. R. 3542) for the relief of John S. Barnes; to the Committee on Military Affairs.

Also, a bill (H. R. 3543) for the relief of William S. McClure; to the Committee on Military Affairs.

Also, a bill (H. R. 3544) for the relief of J. H. Bowling; to the Committee on Claims.

Also, a bill (H. R. 3545) for the relief of Anna Volker; to the Committee on Claims.

Also, a bill (H. R. 3546) granting a pension to Julia C. Messmore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3547) for the relief of Grover C. Van Nest; to the Committee on Military Affairs.

By Mr. DUNCAN: A bill (H. R. 3548) granting an increase of pension to Mary E. Appleby; to the Committee on Invalid Pensions.

By Mr. FERGUSON: A bill (H. R. 3549) granting a pension to Harley D. Peck; to the Committee on Pensions.

By Mr. FITZGERALD: A bill (H. R. 3550) granting an increase of pension to Mary E. Cahoone; to the Committee on Invalid Pensions.

By Mr. GEHRMANN: A bill (H. R. 3551) for the relief of Hans Everson; to the Committee on Claims.

By Mr. HEALEY: A bill (H. R. 3552) for the relief of William O'Connell; to the Committee on Claims.

Also, a bill (H. R. 3553) for the relief of Irving Kilburn Bills; to the Committee on Military Affairs.

Also, a bill (H. R. 3554) for the relief of Fred D. Dickerson; to the Committee on Naval Affairs.

By Mr. HILL of Alabama: A bill (H. R. 3555) for the relief of H. L. Jones; to the Committee on Claims.

By Mrs. HONEYMAN: A bill (H. R. 3556) granting a pension to Ella Ann Alexander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3557) for the relief of the Coast Fir & Cedar Products Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 3558) for the relief of J. S. Mattes; to the Committee on Claims.

By Mrs. JENCKES of Indiana: A bill (H. R. 3559) granting a pension to John Claud McCoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3560) granting a pension to John R. Rogers; to the Committee on Pensions.

Also, a bill (H. R. 3561) granting a pension to Elmer G. Runyan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3562) granting a pension to Charles Hovermale; to the Committee on Invalid Pensions.

By Mr. KEOGH: A bill (H. R. 3563) for the relief of Robert Gabriel; to the Committee on Naval Affairs.

By Mr. KNIFFIN: A bill (H. R. 3564) for the relief of Edward Gibbs; to the Committee on Military Affairs.

Also, a bill (H. R. 3565) for the relief of the Northwestern Ohio Mutual Rodded Fire Insurance Co.; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 3566) granting a pension to Hilder Smith; to the Committee on Pensions.

Also, a bill (H. R. 3567) granting an increase of pension to Ellen Jackson; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 3568) for the relief of Elizabeth B. Dayton; to the Committee on Claims.

By Mr. McGROARTY: A bill (H. R. 3569) granting a pension to Mary A. McCullough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3570) granting a pension to Emma A. Probasco; to the Committee on Pensions.

By Mr. McKEOUGH: A bill (H. R. 3571) for the relief of Frank Smith; to the Committee on Military Affairs.

By Mr. MONTAGUE: A bill (H. R. 3572) for the relief of Ellen Taylor; to the Committee on Claims.

Also, a bill (H. R. 3573) for the relief of D. B. Carter; to the Committee on Claims.

By Mr. O'TOOLE: A bill (H. R. 3574) for the relief of Barnett Klass; to the Committee on Military Affairs.

Also, a bill (H. R. 3575) conferring jurisdiction upon the United States District Court for the Eastern District of New York to hear, determine, and render judgment upon the claims of Achille Ratalato and Albert Ratalato; to the Committee on Claims.

By Mr. PARSONS: A bill (H. R. 3576) granting a pension to Stella M. Webster; to the Committee on Invalid Pensions.

By Mr. RUTHERFORD: A bill (H. R. 3577) granting an increase of pension to Ella Parsons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3578) granting an increase of pension to Mary Saxton; to the Committee on Invalid Pensions.

By Mr. SMITH of Connecticut: A bill (H. R. 3579) for the relief of Manuel Joaquim Ferreira; to the Committee on Immigration and Naturalization.

By Mr. SOMERS of New York: A bill (H. R. 3580) granting an increase of pension to Georgiana Furey; to the Committee on Invalid Pensions.

By Mr. STUBBS: A bill (H. R. 3581) granting a pension to Frank Milner; to the Committee on Pensions.

By Mr. VOORHIS: A bill (H. R. 3582) granting a pension to Oda Lawrence; to the Committee on Pensions.

By Mr. WELCH: A bill (H. R. 3583) for the relief of Martin J. Blazeovich; to the Committee on Claims.

By Mr. WHITE of Ohio: A bill (H. R. 3584) granting a pension to Fannie Stults; to the Committee on Invalid Pensions.

By Mr. WOLFENDEN: A bill (H. R. 3585) for the relief of Cora G. Schrader; to the Committee on Claims.

Also, a bill (H. R. 3586) for the relief of Domenick Piano (Pappano); to the Committee on Military Affairs.

By Mr. PETERSON of Florida: Joint resolution (H. J. Res. 146) granting insurance payments to Hugh H. Newell; to the Committee on War Claims.

PETITIONS, ETC.

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

80. By the SPEAKER: Petition of the Goldsmith Fruit Co., of Fort Pierce, Fla.; to the Committee on Agriculture.

81. By Mr. CROWTHER: Petition of residents of Gloversville, N. Y., favoring enactment of neutrality legislation; to the Committee on Foreign Affairs.

82. By Mr. POLK: Petition of Prof. Walter G. Rhoten and 10 other teachers in the Whiteoak rural schools, of Morristown, Ohio, urging the appropriation of funds to assist the States and Territories in providing more effective programs for public education, etc.; to the Committee on Education.

83. By Mr. MOTT: Petition signed by Frances W. McMillen and 42 citizens of Douglas County, Ore., urging early consideration and enactment of the bill embodying the provisions of the Townsend national recovery plan; to the Committee on Ways and Means.

84. Also, petition signed by Willard Smith and 31 citizens of Douglas County, Ore., urging early consideration and enactment of the bill embodying the provisions of the Townsend national recovery plan; to the Committee on Ways and Means.

85. Also, petition signed by Lillie M. Stewart and 29 citizens of Lafayette, Ore., urging early consideration and enactment of the bill embodying the provisions of the Townsend national recovery plan; to the Committee on Ways and Means.

86. By Mr. COFFEE of Washington: Petition of Farmers Union, Local No. 258, Puyallup, Wash.; to the Committee on Agriculture.

87. Also, petition of Benston, Wash., Grange No. 892; to the Committee on Agriculture.

88. By Mr. CASE of South Dakota: Petition of James Hawkins, chairman, and other members of the seed committee of Spink County, S. Dak., praying for action now so that seed can be shipped in and on hand for planting before seeding time, March 1, 1937; to the Committee on Agriculture.

89. Also, petition of K. E. Brown, president, G. Prunty, secretary, and other businessmen and farmers of Hanson County, S. Dak., meeting at Alexandria, praying for immediate action to make seed loans available and also that the loans be repayable on a commodity basis, bushel for bushel, and other provisions for forage-crop planting and harvest; to the Committee on Agriculture.

90. Also, petitions of O. H. Bergeleen, of Alpena, and Ray Eagle and Ernest P. Holcomb, of Wessington Springs, S. Dak., all referring to the need of 80 percent of the farmers in Jerauld County for seed loans and praying for immediate action; to the Committee on Agriculture.

91. Also, petition of S. S. Judy, of Woonsocket, S. Dak., and other members of the seed committee of Sanborn County, reciting that delay in previous years caused severe crop loss and praying for action to make seed grain available by February 1, 1937; to the Committee on Agriculture.

92. Also, petition of D. F. Baughman, of White Lake, S. Dak., and other members of the Aurora County seed committee, stating that action is needed now to provide seed loans so that a normal crop can be had to place that area on a self-supporting basis again; to the Committee on Agriculture.

93. Also, petition of Walter Pascoe, Fred Ferris, and K. R. Ferris, of Spearfish, being the Lawrence County soil-conservation committee, stating that 90 percent of the 300 farmers surveyed need seed loans and praying for early action; to the Committee on Agriculture.

94. Also, petition of E. F. Gronert, A. B. Levy, F. C. Morgan, and others, being the Pennington County seed committee, asking immediate action that seed loans be made available for early seeding, which spells the difference between crops and crop failure; to the Committee on Agriculture.

95. Also, petition of C. J. Larson, of Eagle Butte, S. Dak., asking speedy action to provide seed loans and giving the results of a seed survey in Ziebach County; to the Committee on Agriculture.

96. By Mr. BUCKLER of Minnesota: Petition of Bernice Henry, chairman, and Clarence Daubenspeck, secretary, of the Workers' Alliance unit at Frazee, Becker County, Minn., praying for an amendment to the social-security law that will give the unfortunate the proper medical, dental, and the

optical care that they are rightfully entitled to; to the Committee on Ways and Means.

97. By Mr. COLDEN: Resolution submitted by I. Tovar, secretary, urging the appropriation of \$1,250,000,000 for the continuance of the activities of the Works Progress Administration; to the Committee on Appropriations.

98. By Mr. STEFAN: Resolution of West Point (Nebr.), National Farm Loan Association, urging Congress to pass a law making 3-percent interest the permanent rate charged borrowers of Federal land banks and reducing principal payments to not to exceed 1½ percent a year; to the Committee on Agriculture.

99. By Mr. PLUMLEY: Petition of some 10 residents of Brandon, Vt., requesting favorable action on the McGroarty Pension bill (H. R. 10); to the Committee on Ways and Means.

100. Also, petition of citizens of Brandon, Vt., requesting favorable action on the McGroarty bill (H. R. 10); to the Committee on Ways and Means.

101. By Mr. HILDEBRANDT: Petition of Ziebach County seed committee, requesting legislation so that the farmers receive their seed in ample time for planting; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 25, 1937

The House met at 12 o'clock noon.

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

Bow down Thine ear, O Lord, for we are poor and needy. Thou art a God full of compassion, gracious, long-suffering, plenteous in mercy and truth. Almighty God, we are feeble, sore broken, and our strength faileth. Make haste to rescue, succor, and help the homeless, the suffering and the struggling countless thousands of our flood-stricken area. O Lord God, suffer not their hearts to languish, nor let them be dismayed. Bring a speedy release from the deathly clutches of the storm and the waves. God bless the American Red Cross with its deeds of heroism and glory. May its spirit surge through every heart. Again, Heavenly Father, we are in the shadow of death. Another Member has left us; a fine type of citizenship, a statesman of ability, a cultured Christian gentleman has gone to his eternal home. At the last may we pass on in the breath of God, through Christ. Amen.

The Journal of the proceedings of Friday, January 22, 1937, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 462. An act to permit the exchange of used parts of certain types of equipment for new or reconditioned parts of the same equipment; and

S. 767. An act for the relief of the Charles T. Miller Hospital, Inc., at St. Paul, Minn.; Dr. Edgar T. Herrmann; Ruth Kehoe, nurse; and Catherine Foley, nurse.

SWEARING IN OF A MEMBER

Mr. LANZETTA appeared at the bar of the House and took the oath of office.

FIRST DEFICIENCY APPROPRIATION BILL—1937

Mr. BUCHANAN, from the Committee on Appropriations, reported the bill (H. R. 3587, Rept. No. 19) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1937, and for other purposes, which was read a first and second time, and, together with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that all points of order on the bill be waived.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. TABER. I reserve the right to object, to ask the chairman of the committee to tell us why he wants all points of order waived.

Mr. BUCHANAN. Mr. Speaker, all money for relief and for the C. C. C. camps carried in the bill is subject to a point of order. The money for relief will be exhausted on February 1, and it is essential that this bill be passed or all of those on relief in the crowded cities, as well as in the country, will not have any relief, and gentlemen can well imagine the result. We have only until the 1st of February for the Senate and House to pass this bill and to have it signed by the President.

Mr. TABER. Mr. Speaker, the only point I can see that would be served by an objection to this request would be that it would require the Committee on Rules to bring in a rule making the bill in order. In view of the fact that we might better spend our time in finding out what there is in the bill when it comes on the floor in the time within which we have to discuss it than in considering a rule making it in order, I do not believe it would serve any good purpose to object. I do not object.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. SNELL. Mr. Speaker, I ask unanimous consent that on Friday, February 12, 1937, after the disposition of matters on the Speaker's table and the reading of the Journal, the gentleman from Kentucky [Mr. ROSSON] may have 30 minutes in which to address the House on the life and character of Abraham Lincoln.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent that on Thursday next, January 28, 1937, I be permitted to address the House for 30 minutes on the subject of the Constitution, following the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent that, after the reading of the Journal tomorrow and the disposition of business on the Speaker's table, I be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. RAYBURN. Mr. Speaker, I trust my friend from Indiana will not insist on that request. Tomorrow we expect to take up this appropriation bill for relief, and if we were to yield to the gentleman for 5 minutes, someone else would want 10 minutes, and it might be embarrassing.

Mr. GRAY of Indiana. I do not want to embarrass the gentleman any more than he would want to embarrass me. Is there any order for the next day?

Mr. RAYBURN. On Wednesday the calendar may be called. I am sure the gentleman can get 5 minutes tomorrow under general debate on the appropriation bill.

The SPEAKER. The Chair calls attention to the fact that already there is a special order for tomorrow.

Mr. GRAY of Indiana. Mr. Speaker, I withdraw the request.

EXTENSION OF REMARKS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting therein an address made by my colleague [Mr. JONES] over the radio recently.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. MITCHELL of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by