EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a report of the Surgeon General of the Public Health Service for the fiscal year 1919 (H. Doc. No. 436); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

2. A letter from the managing director of the War Finance Corporation, transmitting report covering operations from December 1, 1918, to November 30, 1919, inclusive (H. Doc. No. 479); to the Committee on Ways and Means and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Acting Secretary of the Interior, submitting a supplemental estimate of appropriation for tunnel investigations by the Bureau of Mines, fiscal year 1921 (H. Doc. No. 476); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of Labor, submitting a supplemental estimate of appropriation required to defray the expenses of the second industrial conference, called by the President to meet December 1, 1919 (H. Doc. No. 477); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Interior, submitting a supplemental estimate of appropriation for fuel inspection, Bureau of Mines, for the fiscal year 1921 (H. Doc. No. 478); to the Committee on Appropriations and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 10574) granting a pension to Harlem L. Gorman, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PETERS: A bill (H. R. 10916) authorizing the Secretary of War to donate to the third congressional district in Maine 25 cannon or fieldpieces; to the Committee on Military Affairs.

By Mr. TOWNER: A bill (H. R. 10917) to amend an act entitled "An act to incorporate the National Education Association of the United States" by adding thereto an additional section; to the Committee on Education.

By Mr. FORDNEY: A bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes; to the Committee on Ways and Means.

By Mr. CLARK of Florida: A bill (H. R. 10919) to require the Secretary of War to cause to be made a survey for a canal from Cumberland Sound to the mouth of the Mississippi River, and to make full and complete report to Congress of the most feasible route and cost of construction; to the Committee on Railways and Canals.

By Mr. BOOHER: A bill (H. R. 10920) declaring Platte River to be a nonnavigable stream in the State of Missouri; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: A bill (H. R. 10921) to create a national department of highways and a national highway commission therein, to promote and organize a national system of highways, to increase the economy and efficiency of transportation, to assist industry and commerce, to improve the facilities for postal service, and to provide additional means for national defense; to the Committee on Agriculture.

By Mr. BRAND: A bill (H. R. 10922) to grant the consent of Congress to the Alfords Bridge Co. to construct a bridge across the Savannah River; to the Committee on Interstate and Foreign Commerce.

By Mr. CRISP: A bill (H. R. 10923) to repeal the tax on oleomargarine; to the Committee on Agriculture.

By Mr. REBER: A bill (H. R. 10924) to amend an act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892; to the Committee on the District of Columbia.

By Mr. TOWNER: A bill (H. R. 10925) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States; to the Committee on Interstate and Foreign Commerce.

By Mr. PLATT: A bill (H. R. 10926) for the purchase and erection of an armor plate security vault building for the use of the Treasury Department; to the Committee on Public Buildings and Grounds.

By Mr. CRAMTON: Resolution (H. Res. 412) directing the Secretary of the Interior to send forthwith to the House of Representatives certain information with reference to any fraud in the former Uintah Indian Reservation; to the Committee on the Public Lands.

By Mr. RAKER: Joint resolution (H. J. Res. 255) proposing an amendment to the Constitution of the United States relating to citizenship of children of foreign parentage; to the Committee on the Judiciary.

By Mr. ROUSE: Joint resolution (H. J. Res. 256) to extend and make applicable to those who rendered honorable and faithful services with the American Red Cross, Young Men's Christian Association, Knights of Columbus, Salvation Army, and other like auxiliary organizations during the World War, the benefits of certain existing laws; to the Committee on Reform in the Civil Service.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 10927) granting a pension to Walter Barbo; to the Committee on Pensions.

Also, a bill (H. R. 10928) for the relief of Robert B. Griggs; to the Committee on Military Affairs.

By Mr. BLAND of Indiana: A bill (H. R. 10929) granting a pension to Charles S. Porter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10930) granting a pension to Jane Burton; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 10931) granting a pension to Mary A. McGill; to the Committee on Invalid Pensions.

By Mr. BURROUGHS: A bill (H. R. 10932) granting an increase of pension to Eben N. Higley; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Kansas: A bill (H. R. 10933) granting a pension to Columbus Brundage; to the Committee on Pensions.

Also, a bill (H. R. 10934) granting an increase of pension to Harry A. Smith; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 10935) granting a pension to Anna Sharp; to the Committee on Pensions.

By Mr. EDMONDS: A bill (H. R. 10936) for the relief of the Liberty-loan subscribers of the North Penn Bank; to the Committee on Claims.

By Mr. ELLIOTT: A bill (H. R. 10937) granting an increase of pension to Martha J. James; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 10938) granting an increase of pension to Margaret Goldie; to the Committee on Pensions.

By Mr. KING: A bill (H. R. 10939) granting a pension to William O. Wallace; to the Committee on Pensions.

By Mr. McKINLEY: A bill (H. R. 10940) for the relief of Charles L. Moore; to the Committee on Claims.

Also, a bill (H. R. 10941) granting a pension to Elizabeth Shaw; to the Committee on Pensions.

Also, a bill (H. R. 10942) to correct the military record of Frederick Bruns; to the Committee on Military Affairs.

By Mr. MICHENER: A bill (H. R. 10943) granting a pension to Betsey Palmer Mason; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 10944) granting a pension to Edward C. Crawford; to the Committee on Pensions.

By Mr. MOORES of Indiana: A bill (H. R. 10945) granting a pension to Elsie C. Bright; to the Committee on Pensions.

By Mr. RICKETTS: A bill (H. R. 10946) granting an increase of pension to Whitney P. Carroll; to the Committee on Pensions.

Also, a bill (H. R. 10947) granting a pension to William N. Hupp; to the Committee on Pensions.

By Mr. RIORDAN: A bill (H. R. 10948) granting a pension to Ella E. Carbonell; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 10949) granting an increase of pension to Joseph Phillips; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 10950) granting an increase of pension to Merritt A. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10951) granting an increase of pension to George W. Flack; to the Committee on Invalid Pensions.

And nothing that ever was born or evolved,
Nothing created by light or force,
But deep in its system there lies dissolved
A shining drop from the Great Love Source;
A shining drop that shall live for aye—
Though kingdoms may perish and stars decay.

Amen.

The Journal of the proceedings of Friday, December 5, 1919, was read and approved.

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS (S. DOC. NO. 166).

The SPEAKER laid before the House the following message from the President of the United States, which, with the accompanying document, was referred to the Committee on Appropriations and ordered printed:

To the Senate and House of Representatives:

In compliance with the provisions of the act of March 3, 1915, making appropriations for the naval service for the fiscal year ending June 30, 1916, I transmit herewith the Fifth Annual Report of the National Advisory Committee for Aeronautics for the fiscal year ended June 30, 1919.

The attention of the Congress is invited to the suggestion of the committee that the appendixes of the report be published with the report as a public document; and to the recommendations of the committee in the closing paragraphs of the report which have my approval.

WOODROW WILSON.

THE WHITE HOUSE,
5 December, 1919.

WOMAN-SUFFRAGE AMENDMENT.

The SPEAKER laid before the House a communication from the secretary of state of South Dakota announcing the ratification by the legislature of that State of the proposed amendment to the Constitution of the United States extending the right of suffrage to women.

LEAVE OF ABSENCE.

Mr. MCLAUGHLIN of Nebraska, by unanimous consent, was granted leave of absence for one day on account of important business.

ANTIDUMPING LEGISLATION.

Mr. FORDNEY, from the Committee on Ways and Means, presented a report on the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender;

S. 2902. An act to amend section 5182, Revised Statutes of the United States; and

S. 2756. An act to prescribe the method of capital punishment in the District of Columbia.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 9822. An act to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication; and

H. R. 3754. An act to amend sections 8 and 21 of the copyright act, approved March 4, 1909.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 2756. An act to prescribe the method of capital punishment in the District of Columbia; to the Committee on the District of Columbia.

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender; to the Committee on Banking and Currency.

S. 2902. An act to amend section 5182, Revised Statutes of the United States; to the Committee on Banking and Currency.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message in writing from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries, who also informed the House of Representatives that the President had, on December 5, 1919, approved and signed bill of the following title:

H. R. 9821. An act to amend an act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, and for other purposes.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that, December 6, they had presented to the President of the United States for his approval the following bill:

H. R. 6857. An act to authorize the change of the name of the steamer *Charlotte Graveraet Breitung* to *T. K. Maher.*

LEAVE TO ADDRESS THE HOUSE.

Mr. WHITE of Maine. Mr. Speaker, I ask unanimous consent that on January 5, after the reading of the Journal and disposition of matters on the Speaker's table, and subject to the right of way of conference reports and other privileged matters, I may be permitted to address the House for 15 minutes, and that on the conclusion of my remarks the gentleman from Massachusetts [Mr. LUCE] may speak for a like time.

The SPEAKER. The gentleman from Maine asks unanimous consent that on January 5, after the privileged business, he be allowed to address the House for 15 minutes, and that thereupon the gentleman from Massachusetts [Mr. LUCE] be allowed the same amount of time. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I ask the gentleman from Maine upon what subject?

Mr. WHITE of Maine. January 5 is the one hundredth anniversary of the adoption of the constitution of the State of Maine, that marked the separation of that State from the State of Massachusetts.

Mr. BLANTON. I have no objection as to that. Now, as to the other gentleman——

Mr. WHITE of Maine. He desires to speak on the same subject.

Mr. BLANTON. I have no objection.

STANDARD OF WEIGHTS AND MEASURES.

The SPEAKER. On Friday last, before the House adjourned, the bill before the House was H. R. 9755, relating to the standard of weights and measures. The previous question was ordered and the reading of the engrossed bill was demanded. Is that reading still desired?

Mr. BLANTON. Mr. Speaker, I withdraw the request.

The SPEAKER. The question is on the third reading of the bill.

The bill was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BANKHEAD and Mr. BLANTON demanded a division.

The House divided; and there were—ayes 67, noes 17.

Mr. LINTHICUM. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Maryland makes the point that no quorum is present. The Chair will count. [After counting.] No quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll. Those who are in favor of the passage of the bill will, as their names are called, answer "yea," and those opposed will answer "nay."

The question was taken; and there were—yeas 222, nays 80, answered "present" 1, not voting 129, as follows:

YEAS—222.

Alexander	Cooper	French	Hickey
Anderson	Copley	Fuller, Ill.	Hicks
Andrews, Nebr.	Cullen	Fuller, Mass.	Houghton
Anthony	Curry, Calif.	Gallagher	Howard
Ashbrook	Dale	Gallivan	Hulings
Babka	Darrow	Gandy	Hull, Iowa
Bee	Davey	Ganly	Ireland
Begg	Davis, Minn.	Gard	Johnson, Wash.
Benham	Dickinson, Iowa	Garland	Johnston, N. Y.
Black	Drane	Garrett	Jones, Pa.
Blanton	Dunbar	Goldfogle	Jones, Tex.
Boies	Dunn	Good	Juul
Box	Dyer	Goodall	Keller
Briggs	Eagan	Green, Iowa	Kelly, Pa.
Brooks, Ill.	Echols	Greene, Mass.	Kennedy, Iowa
Brooks, Pa.	Elliott	Greene, Vt.	Kettner
Brumbaugh	Elston	Griest	Kiess
Butler	Emerson	Griffin	Kinkaid
Caldwell	Esch	Hadley	Kitchin
Campbell, Kans.	Evans, Nebr.	Hardy, Colo.	Kleczka
Cannon	Fess	Hardy, Tex.	Knutson
Cantrill	Fields	Harreld	Kraus
Caraway	Fisher	Harrison	LaGuardia
Carss	Flood	Hastings	Lampert
Carter	Focht	Hawley	Lanham
Casey	Fordney	Hayden	Layton
Chindblom	Foster	Hays	Lea, Calif.
Classon	Freeman	Hersey	Linthicum

was to go on the calendar in that way, and the country might get a wrong impression concerning the report of the committee.

Mr. CUMMINS. I think perhaps I did not express myself very well in making the report, but I intended to report it in the way I have suggested, and I think that is the proper way.

Mr. JONES of Washington. I got the impression that the Senator stated that he intended hereafter to substitute the Senate bill.

Mr. CUMMINS. Mr. President, I move that the Senate adjourn until 11 o'clock to-morrow.

Mr. MYERS. Will the Senator withhold that motion just a moment?

Mr. CUMMINS. Certainly.

Mr. MYERS. I should like to make the request that if the bill does go over until to-morrow my amendment may be printed.

The PRESIDING OFFICER. The amendment of the Senator from Montana will be printed and lie on the table.

ADJOURNMENT.

Mr. CUMMINS. I renew my motion that the Senate adjourn until to-morrow at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 3 minutes) the Senate adjourned until to-morrow, Wednesday, December 10, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 9, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, offered the following prayer:

Infinite Spirit, our Heavenly Father, from Whom cometh all wisdom, strength, courage, fortitude, right thinking, therefore, and right living, we find ourselves as a people confronted with grave and momentous questions within our own borders and with our neighbors; hence we appeal to Thee, that our authorities in State and Nation may be able to solve them and establish peace within and without, loving mercy, doing justly, walking humbly with Thee. In the spirit of the Master. Amen.

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

MESSAGE FROM THE PRESIDENT—ANNUAL REPORT OF THE COUNCIL OF NATIONAL DEFENSE.

The SPEAKER laid before the House the following message from the President of the United States:

To the Senate and House of Representatives:

In compliance with the provisions of section 2 of the act of Congress approved August 29, 1916, making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes, I transmit herewith the third annual report of the Council of National Defense for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE, *8 December, 1919.*

The SPEAKER. Referred to the Committee on Appropriations.

ANTIDUMPING LEGISLATION.

Mr. FORDNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10918, and, pending that motion, Mr. Speaker, I would like to arrange with the gentleman from North Carolina [Mr. KITCHIN] for general debate. I have requests for 1 hour and 40 minutes, including the giving of 40 minutes to the gentleman from Idaho to discuss a question he asked unanimous consent to present yesterday, but was unable to do so because of the bill taking all day.

Mr. KITCHIN. So the gentleman does not wish to confine general debate to the bill?

Mr. FORDNEY. Yes; except the gentleman from Iowa [Mr. GOOD] wants 15 minutes to make a statement with reference to appropriations, and I think Mr. CRAGO wants about 15 minutes also, but nothing of a political matter.

Mr. KITCHIN. If the gentleman from Idaho has 40 minutes to make a speech on another subject, and the gentleman from Iowa has 15 minutes to make another speech, and the gentleman from Pennsylvania has 15 minutes to make another speech, that will take 1 hour and 10 minutes.

Mr. FORDNEY. Yes; and then the discussion will be confined absolutely to the bill. I ask that chiefly for the reason that the Democratic members of the Ways and Means Committee unanimously favor this bill, and I would rather not see any politics come into the discussion.

Mr. KITCHIN. Suppose we have three hours, an hour and a half to a side, and let them talk on what they please. I am going to confine my remarks to the bill, and I suppose the gentleman is.

Mr. FORDNEY. I will also, and so will the gentleman. How much time does the gentleman say?

Mr. KITCHIN. An hour and a half to a side.

Mr. FORDNEY. That will give 50 minutes. We have got 1 hour and 10 minutes for these gentlemen on other matters, and that will only give me 10 minutes for discussion of the bill.

Mr. KITCHIN. I will give the gentleman some of my time for discussion of the bill.

Mr. FORDNEY. I would like not more than 30 minutes. Has the gentleman requests for all of the time or could he yield a portion?

Mr. KITCHIN. I have requests for about 30 or 40 minutes.

Mr. FORDNEY. Will the gentleman yield a portion of that time to the gentleman from Idaho [Mr. FRENCH]?

Mr. KITCHIN. I will say this: As far as Mr. FRENCH is concerned I will yield 20 minutes of my time to him and 20 minutes to the gentleman.

Mr. FORDNEY. Giving 40 minutes to this side for a discussion of the bill.

Mr. KITCHIN. Let the gentleman yield the gentleman from Idaho 20 minutes, and I will yield him 20 minutes.

Mr. GREEN of Iowa. Will the gentleman yield to me for a moment?

Mr. FORDNEY. I will.

Mr. GREEN of Iowa. I just want to say that I think our chairman is sometimes a little bit too good natured and accommodating, his nature being exactly that way, in yielding time. I wish those Members who wish time to talk on other subjects would not insist always on the Ways and Means Committee giving it to them, because they are always charging it up to the Ways and Means Committee, and they could get their opportunity just as well at another time.

Mr. HULINGS. I want about 10 minutes this morning.

Mr. GREEN of Iowa. The result is to cut out some members of the Ways and Means Committee themselves. I feel obliged not to ask for any time in general debate for the reason so many Members come in and insist on having time given them by the chairman. I shall not, however, object. I would be very much better pleased, and I think the House would be better satisfied, if these requests came in at another time and not when the Committee on Ways and Means has a matter under consideration.

The SPEAKER. The gentleman from Michigan asks unanimous consent——

Mr. FORDNEY. Would not the gentleman from North Carolina agree to make that an hour and forty-five minutes on a side, because the time agreed upon would only give me 10 minutes.

Mr. KITCHIN. Let us have an hour and forty-five minutes for each side, and I will yield the gentleman 20 minutes.

Mr. HULINGS. I want to ask the chairman of the committee if he could make arrangements to let me in there for about 10 minutes?

Mr. FORDNEY. I will arrange to get the gentleman in under the five-minute rule, because we want to get through the discussion of this bill to-day. I will arrange to get the gentleman in under the five-minute rule.

Mr. HULINGS. That does not suit me at all. I do not want to talk under the five-minute rule.

Mr. FORDNEY. I would like to accommodate the gentleman, but we must confine this debate to the bill.

Mr. HULINGS. I do not know what the bill is. I want to talk on something that is quite as important as the bill, I think.

Mr. FORDNEY. Well, I will try to get the gentleman in under the five-minute rule.

Mr. HULINGS. I do not want to get in under the five-minute rule.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the general debate be limited to three and a half hours, an hour and forty-five minutes to be controlled by himself and an hour and forty-five minutes by the gentleman from North Carolina [Mr. KITCHIN]. Is there objection? [After a pause.] The Chair hears none. The question is on the motion that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10918, the antidumping bill, with Mr. MANN of Illinois in the chair.

Mr. MANN of Illinois took the chair amid applause.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10918, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. FORDNEY. Mr. Chairman and gentlemen, I will be as brief as possible in my explanation of the purposes of this bill, after which, as far as I am able, I shall be glad to answer any questions that may be asked me by Members of the House.

The chief purpose of this bill is to prevent unfair competition from abroad when goods are sold here in competition with the products of this country. The bill provides that power be given to the Secretary of the Treasury to investigate, to examine the books and papers and documents of any firm in any country of the world engaged in exporting to the United States to determine whether or not the price at which such firm's goods are sold in this country is at least equal to the price at which they are sold in the country of production, and upon refusal of a firm or person to give to an authorized representative of our Government the right to examine their books and documents the Secretary of the Treasury is directed to prohibit the importation into the United States of the goods of that firm or person until such information is given.

If it is found that a foreign company or corporation or individual is selling an article in this country at a price less than that at which it is sold in the country of production, then the Secretary of the Treasury is authorized, through proper agents, to add an additional duty upon such imported article. In fact, the bill, if it becomes a law, gives power to the Secretary of the Treasury to prohibit importation in several ways: First, by a fine or imprisonment, or both, for a violation of the law. We do not object, and can not object, to a foreigner bringing goods into our country and selling them at a price equal to that charged for such goods in the country where they are made. If a foreign concern can make goods at a less price than we can, the difference in cost must be provided for in a tariff law. But no tariff rate that we have enacted or can enact will correctly anticipate the selling of goods in this country at a price less than their fair market value in the country of origin for the purpose of destroying an industry and competition in this country.

I will, if I have the time, call the attention of the House to several instances of unfair competition from abroad. We have upon our statute books what is known as the Sherman antitrust law, the purpose of which is to destroy or prevent monopoly in this country; to prevent large corporations from purchasing smaller ones, combining them, controlling prices, and then selling at an unfair profit to our people. But we have no law and we have no means for preventing concerns in a foreign country combining to sell their goods at a sacrifice in this country until competition here has been destroyed and thus control our markets at such prices as they wish to charge. I have in mind several instances of that kind which I can present to the House if I only have the time; among them are two presented by the now Attorney General, Hon. A. Mitchell Palmer, while he was Alien Property Custodian. He points out in his annual report that the chemical manufacturers of this country, who with American capital have attempted to produce chemicals of various kinds, and especially those used in the manufacturing of dyestuffs, have been embarrassed and have been destroyed by unfair competition from abroad. He gives a full and clear explanation of the unfair competition by German manufacturers, giving the names of the firms, the amount of the capital invested, and their location.

As illustration of unfair practices Mr. Palmer points out two different chemicals—salicylic acid and oxalic acid. He shows that American capital became invested in the production of salicylic acid at a time when such acid was selling in Germany, in round numbers, at 30 cents per pound. The import duty then was 5 cents per pound. Yet German manufacturers sold in our market, in competition with the American-made salicylic acid, at 25 cents a pound, paying 5 cents a pound duty; in other words, selling what would yield to them, less the tariff, 20 cents a pound when the price in Germany was 30 cents a pound, until our manufacturers closed their doors. Then the price went up to 30 cents and beyond that.

He points out, again, that there were five factories in this country—three owned by American capital, largely by Pennsylvania residents—manufacturing oxalic acid, which was selling at 6½ cents per pound. When the three American manufactories started up the Germans cut the price to 4.7 cents per pound, which price remained for some time. Finally the price was reduced to 2.2 cents per pound, until the three American factories closed their doors. Then the price was put back by the Germans to 9 cents per pound and finally lowered to 7½ cents per pound, where the price remained for some time. When the war came on the three American factories again opened their doors and began operations. The Alien Property Custodian discovered that one of these factories was German-owned and a branch of a large corporation in Germany, and that the reduction of the price was carried on by the German institution, and that when the institutions of American ownership closed their doors and could no longer produce the article at the price obtaining the price by the German manufacturers went back to 9 cents a pound—higher than it had been before our people began the production of the articles in this country.

I have a letter from Mr. Dow, of the Dow Chemical Co., of Midland, Mich., a town about 20 miles from my home. The Dow Chemical Co., of Michigan, is a very large institution at the present time, making chemicals from salt brine. Mr. Dow was forced to meet a very bitter and determined fight against unfair German competition aimed to drive him out of the market. Upon request he gave me the details of that fight. The letter is as follows:

THE DOW CHEMICAL CO.,
Midland, Mich., July 18, 1919.

Hon. JOSEPH W. FORDNEY,
House of Representatives, Washington, D. C.

DEAR MR. FORDNEY: In reply to your letter of July 14, our experience with the German bromine trust was somewhat as follows:

Fifteen or sixteen years ago a German who spoke good English came into my office and introduced himself as a director in the Deutsche-Bromkonvention (Bromine Trust), and explained that the Bromkonvention was a subsidiary of the Kali Syndicate (potash syndicate). He elaborated somewhat fully on this point, explaining that the Prussian Government was a party to the potash syndicate and that the Bromkonvention was to the same extent a government institution. After some further preliminary remarks he stated that they had secured evidence that we had exported bromides. He did not complain that we had exported them to Germany, but that we had exported them out of the United States. I replied that I knew of no law in the United States that prevented Americans from exporting bromides, whereupon this German stated that he knew there was no United States law, but that he had come all the way from Stassfurt, Germany, to tell me that the Bromkonvention would not permit me to export bromides, and that if I persisted they would put 2 pounds of bromides in the United States for every 1 pound that we exported. I stated that we could make bromides just as cheap as he could, to which he replied that price was no consideration and had no bearing on the subject; that they would put 2 pounds in here for every 1 pound we exported, entirely irrespective of price.

I did not give the matter very serious consideration, and we continued to export bromides.

Some considerable time after this visit a big consignment of bromides was landed in New York and distributed by the Roessler & Hasslacher Chemical Co. at 15 cents a pound, the price in Germany being approximately 49 cents per pound and the import duty 25 per cent ad valorem. From this you will see that the price they received probably did not pay for import duty, transportation, and distribution expenses. I do not remember the American price at that time, but it was somewhere near 30 cents. Of course, many jobbers of pharmaceutical chemicals availed themselves of the opportunity of stocking up on a standard pharmaceutical product like potassium bromide, and, if I remember correctly, there was no method by which we could secure from the Government information in regard to the quantity imported. But almost simultaneously with the arrival of this bromide in the United States the same German referred to above visited one of our best customers, the Mallinckrodt Chemical Co., and Mr. Mallinckrodt wired me that he was there and asked me to join them in a conference, which I did, but would not agree to desist making exports. The Germans sold all the bromides they could at 15 cents per pound, and when they could sell no more at that figure reduced it to 14 cents, then to 13 cents, and I think the lowest offer made was 11 cents. This extended over a period of about three and three-fourths years, but in the meantime we had entirely ceased selling bromides in the United States and confined our efforts solely to the foreign market, and during the last year of that period we sold more bromides in Germany than the Germans sold in the United States, and it netted the Dow Co. very much more than the American price. Such a large quantity of bromides was brought into the United States during this time that for approximately three years thereafter there was no market in America for bromides. We, however, continued to sell moderate amounts abroad and have never desisted, and at the time Germany entered into war we had the usual amount of foreign trade, which suddenly increased to large proportions when German competition dropped out.

The only thing that prevented the Dow Chemical Co. from being eliminated from the bromide business was the high tariff, which handicapped the Germans to such an extent that they ultimately gave up the fight. If we had been less persistent and had dropped out, everybody would have said that the Americans could not compete with the Germans in this line and would have believed it sincerely.

The above are the main facts in regard to our bromide fight with the Germans, and I think more or less well known by most of the manufacturing chemists.

Very truly, yours,

HERBERT H. DOW.

I mention this instance, gentlemen, to show the unfair competition that some of our manufacturers in this country must meet.

The Alien Property Custodian points out that a chemical company in Germany—and you will find that statement on page

26 of the Alien Property Custodian's report for the year 1918—started in 1865 with five employees. That one firm in Germany to-day has a plant on the Rhine with one mile and a half frontage on the river and with 500 acres of a plant. In 1913 it employed 7,680 laborers, 307 chemists, 374 foremen, 74 engineers; had 30,000 horsepower and 42 miles of railroad within the limits of the plant. It made chemicals we purchased from Germany prior to the war, but many of which are now being made by American manufacturers. The world's production of dyestuffs before the war was $100,000,000, 75 per cent of which was made in Germany. We consumed from 15 to 25 per cent of these dyes. We must come in competition with those great combinations when once again trade relations are fully restored between this country and Germany. They started in, as I say, with a small capital, but the Alien Property Custodian points out that that combination to-day has $400,000,000 invested in the manufacture of chemicals in Germany.

Now, gentlemen, we are making dyestuffs in this country, we are making chemicals of various kinds in this country, that we did not make before the war. This bill will do much to protect those institutions if it is enacted into law and properly enforced. It will protect our American manufacturers against unfair competition. There is no other purpose in the bill. It will not permit a foreigner in any line of industry to come to our markets and sell his goods here at a less price than he sells them for in the country where they are made.

Canada has such a law to-day upon her statute books and strictly enforces it. If I had the time I could point out to you many instances where American manufacturers have attempted to sell goods in Canada at reduced prices and have been prohibited from doing so; have been directed to take their goods out of Canada or rebill them, reinvoice them, at their actual selling price in this country, pay an additional duty, and a penalty; either that or take the goods from Canada and cease further importations to Canada.

I have a statement which aims to explain the various provisions and sections of the bill, and will insert that statement in my remarks at this point:

The term "antidumping" is used in the title of this act as it indicates at once the popular understanding of the measure.

SECTION 2.

MERCHANDISE.

Imported merchandise is either free or dutiable at specific or ad valorem rates. In the act the special duty applies to "merchandise" without limitation, including within its provision merchandise free, specific, and ad valorem. Merchandise sold at a fair price might be entitled to importation into the United States free of duty, but when such merchandise is sold at less than its fair market value and no equalizing duty can be assessed, its entrance into the commerce of the United States might become disastrous to the producer of like merchandise in the United States. For this reason all classes of imported merchandise have been made subject to the special duties under the dumping act. This results in the equalization of the cost to the importer to the price of the American producer, providing that the action of Congress was correct in placing the article on the free list.

The bill should include such merchandise as is now assessed under the tariff act with specific rates. Specific rates do not, if their effect is proper, do more than equalize the cost of the foreign product to that of the domestic. Without the imposition of a special duty on goods subject to specific duties, unfair competition by reason of sale at a dumping price would bring imported merchandise into this market at a lower price, which might injure and destroy competition by an American produced article.

THE CLASS OR KIND.

The class or kind subject to special duties will be promulgated by the Secretary of the Treasury after investigation and comparison of the class or kind produced in the United States. This provision will make a definite classification for the appraising officer and the collector as to the imported merchandise upon which special duties shall be levied.

In the preparation and determination of the class or kind the Secretary of the Treasury will have to avail himself of the expert knowledge of the merchandise customs examiners and other Treasury investigating officers. The merchandise examiners form a body of experts, familiar with merchandise conditions throughout the world. This body of experts, on account of their long experience, would be best fitted to advise the Secretary of the Treasury. In our opinion it would be very difficult, and only after a long lapse of time possible, to build up a new force to determine comparability without using this splendid nucleus of expert knowledge.

Merchandise may be of a kind or class identical to a class or kind made in the United States, but not comparable from a dumping standpoint. To illustrate: A high-grade china might fall into the class or kind that includes low-grade china, semi-porcelain, or earthenware, but if it is art china, not made in the United States, it would not be in competition. On the other hand, dinner ware manufactured in Limoges, France, or its imitation made in Japan, would come on the market in direct competition with the same kind of dinner ware made in the United States. Hotel ware also comes into competition with American hotel ware.

DEFINITIONS.

Sections 2 and 3 explain themselves. Sections 4, 5, 6, and 7 are definitions defining the terms "foreign home values," "values to countries other than the United States," "cost of production," and "sales price," thereby saving considerable phraseology and repetition in referring to their application later on.

SECTIONS 4 AND 5.

FOREIGN HOME VALUE—VALUE TO COUNTRIES OTHER THAN THE UNITED STATES.

Foreign home value is the first value to ascertain. If that value can be secured and the export price to the United States is maintained at that level there is no dumping, provided the value in the home country is the open value to all and not a restricted, conditional, or special value. Any deviation by lowering of price for sales to the United States would indicate and establish dumping. The value to countries other than the United States, in the absence of a foreign home value, should be the first alternative. It is quite manifest that the price at which merchandise is freely offered and openly sold to all countries other than the United States must constitute a fair return in value for the product sold. The provision to section 4 is important. Merchandise may not be sold in the country of production for home consumption, and therefore the price to countries other than the United States would be resorted to if it exists. In such event, if a concession in the form of rebate or the nonimposition of import duties is made, the provision in section 4 will make it mandatory to add to the export price any unpaid or rebate import duties to establish what may be termed a constructive home market value. This does not apply to an excise tax, for such tax has no relation to the value in connection with dumping.

PACKING CHARGES.

To the foreign home value or the value to countries other than the United States, the cost of packing and packing charges are added. In comparing either of these values as against the export value to the United States, packing charges must be taken into consideration. In some lines of goods their relation to the value is very high. When an export price to the United States is compared with the foreign home value or the value to countries other than the United States, packing and packing charges must be either included in both values or, if not, eliminated from both.

WHOLESALE QUANTITIES.

Under the present law market value is found in the usual wholesale quantities of the home country. It will be noted under this section that market value is found in the foreign country on the basis of the usual wholesale quantities of the same kind or class as sold to the United States. The purpose in substituting the wholesale quantities in the United States instead of the wholesale quantities in the foreign home market is to obviate the determination of value in retail quantities, which may be the wholesale quantity in which ordinarily bought and sold in the foreign market of production or sale. To illustrate: Books are sold in England in quantities of probably a dozen direct to the bookseller. The price in such quantity is far in excess of the price at which the publisher will sell in usual wholesale quantities to markets other than the home market. It can scarcely be contended that the price at which he sells the far greater part of his production is a dumping price simply because the merchandise is to be exported, and that the fair wholesale price is in the limited quantities in which sold in the home market.

In many countries, owing to the proximity of the market of production to the place of consumption and the absence of the jobbers as known in this country, the purchasers buy in extremely limited quantities. It is quite usual in England for the manufacturer to sell directly to the consumer in quantities as low as one. It would be very unjust to take the price at which the manufacturer sells one, which may be the usual wholesale quantity of the country of production or sale, and compare it with the price at which he sells the far greater part of his product to the United States, and because of the higher price at which he sells the one, assess a special duty under

the dumping act, where, in fact, no dumping has actually occurred and the price for export is a fair market price in the quantities in which sold to the United States.

SECTION 6.

The "cost of production" defined in this section is the third alternative. The foreign home value is first. If none exists, then the foreign value to countries other than the United States is resorted to. In the absence of these two values, the only method left to establish a value is through the medium of the cost of production, which involved the determination of cost of material, labor, and general expense of the merchandise similar in material and production or manufacture. The material, labor, and general expense are definite factors to establish as pertaining to a particular manufacture or article, but the addition of profit may involve dumping. The manufacturer in the foreign country, desiring to get into the American market, may make a very low price; he may even sell without any profit at all, or he may sell at a price even lower than the bare cost of production. Consequently it must be ascertained whether in addition to his costs he has added a fair profit. Section 5 provides that the profit to be added to the costs of material, labor, and general expenses is the average profit of manufacturers in the market of production producing articles from like material by similar methods of manufacture or production. In this manner the constructive home-market value is reached, it being assumed that manufacturers selling in the home market must add to their costs a legitimate profit to establish their selling prices in the home market. To illustrate: A particular style of ladies' handbag made of leather may be manufactured in France and sold only to the United States. No market value existing in the home market or for countries other than the United States, the cost of production must be established. The factors of cost can be ascertained from the books of the manufacturer, but to determine the amount of profit that should be legitimately added to make a fair home-market value the investigator would have to turn to the leather manufacturers in France, who, although they did not make the particular style of handbag for ladies, or possibly not any kind of handbag, would be making leather goods of like material and construction to the leather bag, and their manufacturing profits would be added to the cost established.

SECTION 7.

(A) SALES PRICE.

The true market value for home consumption or to countries other than the United States, or in the absence of these values, the cost of production having been found, such result must be compared with the sales price to the United States to establish whether the special dumping duty is to be assessed. This sales price must be the true price, and not a disguised price or simply an invoiced price. The special duties being 100 per cent of the difference between the sales price and the home-market value, and the import duties only a fractional part, the importer would be quite willing to invoice at the higher price, in order to avoid payment of a special duty. The price to the person in the United States buying the merchandise abroad on the face of it would appear to be the true price. However, if the person in the United States had an interest in the business abroad, or if the business abroad was one and the same with that in the United States, although both under separate entities and incorporated under the laws of the two countries, it can readily be seen that almost any price could be agreed upon as a sales price and the merchandise actually billed and paid at that price, and any losses adjusted at the end of the year by transfer of moneys, entirely unknown to the officials charged with the imposition of the special duties. For that reason the definition in A is set forth, limiting one of the sales prices to the person in the United States only if such person in the United States has no financial or other interest in the business of the shipper. The purpose for this exception is to forestall a practice whereby a foreign manufacturer may seemingly sell at a price which is fair home-market value, but subsequently make adjustments by credits and debits in his books for any loss incurred through the sale of the merchandise at prices less than the invoice value plus charges incurred in placing the merchandise in the hands of the buyer.

(B) SALES PRICE.

This subsection shows how the appraiser in instances where the person in the United States has an interest in the foreign business can disregard the apparent sales price and take the sales price of the importer in the United States, and after subtracting from that price the expenses incurred in placing the merchandise in the market of the United States will reach the real sales price at which the merchandise entered into competition with comparable merchandise in the United States.

(C) SALES PRICE.

This subsection defines how the sales price shall be found when the merchandise is shipped to the United States consigned or otherwise than by purchase. It can be readily seen that the manufacturer in the foreign country consigning his merchandise to the United States may consign on his consular invoice at the full foreign market value, let us say $1, and after the arrival of the merchandise in the United States dispose of it really at 90 cents or any lower price he desires. This is a condition which has never been provided against or obviated by any dumping law, and is the most important of all.

SECTION 8.

DATE OF SALE.

The present law provides that the market value is to be determined as of the date of exportation to the United States. Under this act provision is made that the foreign home value for goods actually purchased is to be found on the date of sale, distinguished from the present tariff law as on the date of exportation. For goods coming into the United States secured otherwise than by purchase or on consignment under this definition foreign market value is taken on the date of exportation, as there would be no date of sale, and the date of exportation would be the only date that it entered into competition.

Merchandise is rarely shipped on the date of its purchase. Shipment takes place a week or two or six months thereafter. The merchandise may not be in existence at the time of purchase, but to be manufactured for future delivery. During the time elapsing between date of purchase and the date of shipment the foreign home value may change, but to what extent no one knows. It may be higher; it may be lower. The importer in the United States, in order to conduct his business intelligently, must know very closely what the merchandise is to cost. If by reason of a change in price special duties are to be imposed it will be impossible for any importer to do business. The imposition of special duties between the price at the time of sale and the price six months hence will mean that the importer is not buying his merchandise at the price set at the time of purchase but at some unknown price in the future.

To establish whether dumping has actually occurred necessitates a comparison between the sales price and the foreign home value. This determination should be made by comparing the two values on the same date. The date of exportation has not been adopted, in view of the desirability of determining the relative prices for export and for home consumption on the same date.

SECTION 9.

The special duty is the difference between the sales price and the values provided for in this act on the date of purchase and sale. This in some instances may lead to the incongruous position that a special duty is imposed with the price on date of exportation lower than the market value on date of sale. It was originally contemplated to incorporate a proviso in section 9 that whenever the values on date of exportation were lower or equal to the sales price that no special duties shall be imposed, but upon further consideration it is deemed advisable to leave it out. Dumping occurs when merchandise is sold at less than its fair market value at the time of the transaction. A further argument in favor of the imposition of the special duties without regard to the market value condition on date of exportation is the fact that, as a rule, merchandise is produced previous to the exportation, and that merchandise manufactured in the United States on the same date must have relative costs similar to those in the foreign market.

The reduction of a price is usually the reflection of the lowering of some element of cost and should have no effect on merchandise which may be quoted on the date of exportation at a lower price as a result of the existence of merchandise created at a higher cost or to be created on the basis of lower cost. To further illustrate: Merchandise manufactured coincidently in the domestic and foreign markets; the difference of costs are presumably equalized by the imposition of an import duty. Involved, however, in the transaction in the foreign market is the element of sale at lower than the proper market price. For that purpose a dumping duty is provided. If the imposition of the dumping duty is not enacted the merchandise produced in the United States is meeting the unfair competition resulting from the dumping.

If in the judgment of Congress it is deemed desirable that no dumping duties shall be imposed in the event of a reduction in the market value between date of sale and the date of exportation, a proviso should be added to section 7, as follows:

Provided, That whenever the values on date of exportation are equal to or less than the sales price the special duty provided shall not be levied or collected.

SECTION 10.

This is the authority for the appraiser, or the person acting as such, to find either one of the three different values and the sales price. This authority is necessary, as the present law does not authorize the appraiser to find other than the market value on the date of exportation.

SECTION 11.

This authorizes the appraiser to find the sales price after the merchandise has been imported. This provision is most important, as without it dumping can not be prevented.

Sections 12, 13, 14, 15, and 16 are authority for the collector to assess the special duty and authority in cases of appeal, by either the importer or the collector, and for the general appraiser or the boards of general appraisers to find the particular kind of value provided for in this act. The already created tribunals for customs appeal are under this act authorized to determine the necessary values, and the machinery for this is set forth in practically the same phraseology as now appears in our present tariff act, paragraph M, section 3.

SECTION 17.

This section reaches the importer, the only person that can be reached, and denies him the right to import if his shipper or manufacturer refuses to open his books. To force the foreigner to send the merchandise to the United States must involve this country in serious controversy. Investigating officers are at present not clothed with the proper authority. Many foreign shippers do not respect nor accede to the request of a properly authorized Government officer that the papers and books be placed before him for inspection to ascertain facts necessary for proper appraisement.

The inability of investigators abroad to compel foreign manufacturers and shippers to open their books and give true values has been responsible for a large percentage of undervaluations. Where duty is based on value it is readily understood that if such value can not be ascertained, either by reason of an insufficient number of investigating officers abroad or through lack of authority for investigating officer to demand the inspection of the records of the sale, the administration of the law is greatly hampered. There are many instances where foreign shippers or manufacturers have refused to give the United States Government any information as to their foreign home value or values to countries other than the United States. As a result of such refusal no penalty has been imposed. If the merchandise were stopped at the border or turned back from the customhouse, the foreign shipper would soon realize that he will either comply with the laws of the United States or discontinue seeking business in the United States. At present our foreign investigators are given only what the foreign shipper desires to give them, and their work, for the reason that there is no way to enforce their demands, is very hard.

Along these lines a speech reported to have been made before the German chamber of commerce is inserted for information. Appraising officers say, whether this speech was actually made or not, that it expresses exactly the attitude of the German manufacturer or shipper and the attitude of many manufacturers and shippers in other foreign countries.

SECTION 18.

This is the same as 17, differing only in that it gives authority to secure the sales price in the United States. It is fully as important as section 17.

SECTION 19.

The present law requires that the purchase price be set forth on consular invoices where the goods are actually purchased and the market value where the goods are consigned. For the purpose of this act it will be necessary for the foreign exporter to place upon the invoice, in addition to the purchase price, either the home value or the value to countries other than the United States at date of sale, and, in the absence of either of these values, the cost of production at date of production. Such statement on the invoice will greatly expedite the passing of the goods and the return of the invoice by the appraiser.

SECTION 22.

We, the committee, believe that the special agents or other officers having expert knowledge of the administration of customs laws should be limited as far as practicable to those in the service, going out of the service and appointing from the civil-service list when such officers are not available. This will lead to better administration.

Mr. BANKHEAD. Mr. Chairman, would it disturb the gentleman to ask him a question right there for information?

Mr. FORDNEY. No, sir.

Mr. BANKHEAD. This is rather a complicated piece of machinery that is set up in this bill. I would like to have stated the method of determining the method of unfair rates, and upon whom that responsibility rests, and how it operates, or will operate, under this bill.

Mr. FORDNEY. We called upon the Secretary of the Treasury, and he very kindly permitted us to have the benefit of experts employed by the Government in the customs offices in New York, men who have been in the employ of the Government for 30 years, and who are very thoroughly conversant with the facts that would be brought out if this bill becomes a law. The bill gives the power to the Secretary of the Treasury to appoint proper officers to send abroad to any country in the world to investigate books of foreign firms and see at what price certain goods are sold in the country where they are made, and on their failing to give our representatives that information the Secretary of the Treasury is directed to prohibit the importation of that company's goods until we do get that information. Then if goods are imported into this country contrary to the provisions of this law, and the importer knowingly violates the law, he makes himself liable to fine and imprisonment. If he pays rebates contrary to law, he subjects himself to fine or imprisonment. Power is given to the Secretary of the Treasury to prohibit, as I have said, the importation of such goods made by people violating the law or refusing to give us the necessary information or the right to examine their books or their records.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman.

Mr. HARDY of Texas. There has been quite a good deal of statement and complaint to the effect that American manufacturers did this same thing.

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. That they have marked their goods here at one price, and in order to get into the markets of foreign countries they have reduced the price there far below the price in this country.

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. Have any of the foreign countries other than Canada, as mentioned by the gentleman, taken any steps providing for the inspection of the books of our manufacturers?

Mr. FORDNEY. Yes. Australia and New Zealand and the Union of South Africa have enacted such laws, but I believe no other country. I have frequently heard that American manufacturers often sell abroad cheaper than they sell at home; but there is less opportunity for the American manufacturer to sell abroad at a lower price than he sells here, as compared with the foreigner, because of the difference between our cost of production and the cost of production abroad. Our goods cost more on account of our higher labor cost—which is higher than the labor cost of any country in the world—and therefore we have less opportunity to sell at a sacrifice price abroad than foreigners have to sell at a sacrifice price here. But I believe this has often been done by our manufacturers, and we know of many instances where foreigners have practiced the same thing here. In order to run their establishment at the lowest possible cost of production, manufacturers find the best way is to run the entire plant at full blast. Many times a manufacturer finds himself with a surplus of goods on hand, made under those conditions. His output in this country exceeds the demand for his product here and he finds his warehouse filled to overflowing. In such a situation there is but one of two things to do, either to close down until he works off that surplus product or to dump the goods somewhere in the world at a sacrifice in price.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield again?

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. Could not the American manufacturer also reduce the price at home as well as abroad, and let the American people get the benefit of that surplus as well as the foreigner?

Mr. FORDNEY. Well, I will say to the gentleman that once upon a time Mr. Schwab came before the Committee on Ways and Means when our honored Member, Mr. CLARK of Missouri, was a member of that committee. Mr. CLARK said to Mr. Schwab: "I understand you sell steel rails abroad cheaper than you sell them in the United States. Is that true?" Mr. Schwab said, "No; that is not true." He said: "There had not for 10 long years been a pound of steel rails sold by an American manufacturer in any steel-producing country in the world except some sold by our company, the Bethlehem Steel Co., to northwestern Canada, for which we received $2 per ton more than we received in this country."

Then the question came up, if there was a reduction in the price, why not first reduce it to the home consumer? He re-

plied: "Our best market in the world is at home within a certain zone, in the territory surrounding our industry, and if we can not sell to the people in that territory at a profit we can not sell to any people in the world at a profit. Therefore we must maintain a price at which we can obtain a profit where we must look for the major portion of the sale of our product. So we can not reduce the price to our home customers and hope ever to make a dollar in the business. For that reason we maintain the price to our own people at home and dump our surplus product abroad in order to keep running and employ our labor and manufacture at the lowest possible cost."

Mr. HARDY of Texas. Then, the long and short of it is that they do sell higher here than they sell abroad—our own American manufacturers?

Mr. FORDNEY. No; I do not say that. I say we can not do that in Canada, we can not do that in Australia, we can not do that in any country that has an antidumping law, because they do not permit it if they know we are selling at sacrifice prices.

Mr. HARDY of Texas. Would the gentleman have any objection to incorporating in this bill a kind of mutuality, that whereas we forbid others to dump here we forbid our own manufacturers to dump elsewhere?

Mr. FORDNEY. No; we can not control export prices, nor should we try to. I have said that although we have to-day the Sherman antitrust law, which forbids combinations in this country to exact unfair profits from our people, we have no law whatever upon our statute books that protects our people against foreign combinations to put our industries out of business and then put the prices as high as they choose, as has been so fully set out and so clearly demonstrated by the report of the Alien Property Custodian, which I call to your attention and ask you to read.

Mr. HULL of Tennessee. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Tennessee.

Mr. HULL of Tennessee. The principal purpose of this bill, as I understand it from a very slight examination—for I was not able to participate with the committee in its consideration—is to protect the manufacturers or producers in the United States against "dumping" by those who produce similar articles in other countries, is it not?

Mr. FORDNEY. Yes; that is the sole purpose of the bill.

Mr. HULL of Tennessee. Does the gentleman place the construction on section 9, on page 5, that where articles are exported from other countries to the United States, which articles are not produced at all in the United States, the purchaser in this country would be required to pay a price equal to the price paid in the country from which the product is exported?

Mr. FORDNEY. No; but the invoice price is fixed for the purpose of collecting the correct amount of revenue on these imported goods.

Mr. HULL of Tennessee. In that connection, there are many articles imported into the United States and consumed here which are not produced in the United States?

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. Or if produced here are only produced in inadequate quantities?

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. Some of these same articles are shipped from the country which produces them and sold in other countries at prices lower than the domestic price. Now, under this bill would the American purchaser be required to pay the higher price which the domestic level suggests, or would he get the article at the lower price level at which the article is sold in other countries?

Mr. FORDNEY. My understanding is that the bill attempts in no way to fix the price on a noncompetitive product except for the purpose of collecting revenue. Revenue should be collected on noncompetitive products at the price for which they sell in the country of production, not the price for which it might be sold to foreign countries. That is for the purpose of collecting the correct amount of revenue due to our Government. For that purpose this measure would compel them to show on the invoice the price at which the article is sold in the country where it is produced.

Mr. HULL of Tennessee. I call the attention of the gentleman to this point, because I am not sure whether it would be fair to the business of this country, which purchases from abroad articles and commodities that we do not produce here for the purpose of manufacturing or otherwise consuming them, when it finds those articles are being exported from the country of production and sold at a lower price than the domestic price, to be compelled to pay the domestic price while other countries which purchase the article pay the lower price.

Mr. FORDNEY. I will say to the gentleman that the purpose of the bill is not that at all. Suppose we are importing an article like coffee from Brazil. We do not produce coffee in the United States. Suppose we find that Brazil is selling coffee in Brazil at 5 cents a pound, but in some foreign country at 4 cents a pound. If it was an article which paid duty—which coffee does not—then we would compel them to place on the invoice of the shipment to this country the price at which the article is sold in Brazil, in order that we might collect a duty on 5 cents a pound instead of on 4 cents. But the bill in no way attempts to fix the price at which noncompetitive articles may be sold in this country, because if they are noncompetitive articles then we want them sold to our people at the very lowest possible price for which we can buy them.

Mr. HULL of Tennessee. Just one word further, if the gentleman will permit.

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. Take the case of coffee. Suppose Brazil sold coffee in her domestic markets at 8 cents a pound. Suppose she prices it to the American purchaser at 7 cents a pound. Suppose she prices it to a purchaser in England and other countries at 6 cents a pound. Under that state of facts, when we apply section 9 of this bill, the American purchaser would have to pay, because of the revenue proposition, the difference between the price in Brazil and the price at which it is sold at home, although he ought to be allowed to purchase it at the price at which it is sold in England and other countries.

Mr. FORDNEY. I assume that if there was an instance where an article was sold in this country at a price less than that at which it is sold in the country where it is produced, if it is a noncompetitive product, we would in no way attempt to interfere with the price, but I do not believe any foreigner will sell his goods here at lower prices than at home if he has no competition here, which would be the case in noncompetitive articles.

Mr. REAVIS. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Nebraska.

Mr. REAVIS. Would the gentleman from Tennessee have any reason to apprehend that a foreign producer sending his product into this country, where there was no competition, where he had an exclusive field for his product, would be inclined to charge less for it here under those conditions than he would charge at home?

Mr. FORDNEY. No; the chances are that he would not sell for any less than he could sell at home, because he would enjoy full control of the market in this country on a noncompetitive product. He competes only with his own neighbor or some man from a foreign land.

Mr. KITCHIN. Will the gentleman from Michigan yield?

Mr. FORDNEY. I yield to the gentleman from North Carolina.

Mr. KITCHIN. The gentleman stated that where the article is noncompetitive—that is, where the article that is imported is not produced in the United States—this bill does not apply. That, of course, was the intention of the committee, but in reading the bill very carefully I think the committee omitted one very important amendment which should go into the bill to carry out the gentleman's idea.

Take coffee; coffee is free. If they are selling coffee in Brazil for 10 cents a pound and they offer to sell it to our people for 8 cents a pound, we ought not to object, because it is a noncompetitive article. Tea is the same way.

Mr. FORDNEY. And rubber.

Mr. KITCHIN. I think to cure that I would suggest this amendment, which the gentleman and the committee can think of: Add to section 9, page 5, these words, "*Provided*, That this section shall not apply to any article the like of which is not produced in substantial quantities in the United States."

That would cure it and do what the committee intended.

Mr. FORDNEY. I do not know that there is any serious objection to that amendment, but the bill has been carefully prepared, and I believe that we should be very careful about amendments.

But this is the point: I do not know of any article imported into this country, noncompetitive, which is not on the free list. Tea, coffee, and rubber are articles that we do not produce in the United States and are on the free list and would not be affected by this bill.

Mr. KITCHIN. Yes; the bill states in section 9—and I did not notice that in committee—that "whenever merchandise, whether dutiable or free, is exported to the United States," and so forth. The word "free" ought to go out.

Mr. FORDNEY. No; I do not think that language ought to go out, and for this reason: There are many articles that are admitted free of duty that are competitive, and if they

are competitive products, then the principle should apply and the penalty should apply if the articles are sold at a less price in this country than in the country where they are produced.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SMITH of Michigan. Have we not an antidumping law in this country?

Mr. FORDNEY. We have an antidumping law, enacted in 1916 in the revenue bill, but that law is inoperative, for the reason that a conspiracy must be proven between the exporter and the importer to lower the price for the purpose of destroying or injuring an industry in this country. That is impossible. You might be an importer of an article from abroad and the man in the foreign country offer you goods at a certain price. You know nothing about what the price of the article is in the country where it is produced. You buy because the price is attractive. It could not be proven that you had entered into a conspiracy to destroy an industry simply because you purchase the goods cheap. Therefore in not a single instance, so I am informed, has the law been enforced since it was enacted in 1916. It is not obligatory on the Secretary of the Treasury to enforce that law. This bill, if it becomes a law, directs the Secretary of the Treasury to proceed either to collect the extra amount of duty under the penalty imposed or prohibit the importation of the article altogether until a satisfactory settlement can be made by the importer or exporter or the foreigner. That is exactly what Canada does to-day.

I will give you an illustration on that point: There is a pottery manufacturer in New Jersey making lavatory or toilet stools, which are sold in this country at $5 each. He had a large surplus on hand and he sent a large consignment to a firm in Canada at $3 apiece. Immediately the Canadian Government sent a man to this pottery in New Jersey for the purpose of examining the books as to the price these articles were sold for in this country. The proprietor refused to let him see the books. The agent said, "I am going to the hotel and will be there until 10 o'clock to-morrow morning; if you want to see me you will find me there."

Late in the evening the manufacturer received a telegram from the party in Canada to whom he sold the goods, saying, "I am forbidden to unload the goods; what is the trouble?" He called on the agent at the hotel, and the agent said, "You will take your goods out of Canada or let me examine your books, because we are under the impression you are selling in Canada at a price less than you sell in the United States.' The manufacturer admitted that that was true.

Then he was given the privilege of paying the duty and 50 per cent penalty, or taking his goods out of Canada and staying out.

That is very strict, very rigid, very proper, and a good protection to the industry in Canada. That is exactly what this bill does. It places the power in the Government of the United States to do that very thing and prevent unfair competition.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SMITH of Michigan. There is nothing in the bill to prevent the manufacturer from selling his goods at any price he wishes to in a foreign country, provided the foreign country does not complain about the price?

Mr. FORDNEY. He can sell his goods at any price obtainable, but they can not sell goods in our market for the purpose of destroying an industry here by selling at a price less than they sell for where the goods are produced. That is the whole gist of the argument in this bill.

Mr. HULL of Tennessee. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. I am trying to get set right on the question I raised awhile ago and which I think the gentleman from North Carolina [Mr. KITCHIN] takes the same view that I do. Section 9 in this bill says:

That whenever merchandise whether dutiable or free is exported to the United States of the class or kind provided for in this act.

Here is the opening language of the Canadian law which I think is most drastic:

In the case of articles imported to Canada of a class or kind made or produced in Canada—

There is a difference in the language as there is in some other provisions in the bill.

Mr. FORDNEY. There are other provisions covering that same language, but it only applies when made applicable to dutiable and free goods when the free goods are competitive products. For instance, to-day wool is an article on the free list but produced in this country, and is a competitive product.

Mr. HULL of Tennessee. One further question in that connection. The gentleman expressed it as his opinion that this bill applies only to imports that are competitive. To what extent would a domestic product have to be produced in this country to be considered competitive?

Mr. FORDNEY. The bill provides in proper language in any reasonable or appreciable quantity. That is to say, an article made only occasionally in this country, or in a negligible quantity, perhaps, would not be considered, but that is left somewhat to the discretion of the Treasury officials. I think the language of the bill leaves it that way. I hope when this bill comes to a vote there will not be a man on either side of the House who will vote against it, because I think it is absolutely equitable and it is nonpartisan, and there should be no politics in the matter at all. Its only purpose is to protect the industries of the country against unfair competition. All that the industries of this country can ask in the way of a duty on an article subject to import duty is a duty sufficiently high to offset the difference between the cost of production abroad and the cost of production here. That is all that any manufacturer in this country ought to ask and that is all he is entitled to. If he is put on a fair basis with his foreign competitor, he ought to be able to control the markets of the United States as against the foreigner, especially so when conditions prejudiced as at present exist between this country and some foreign countries.

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

Mr. FORDNEY. Yes.

Mr. DEWALT. The provisions of section 9 are, in brief, this, as I understood the gentleman, that where an article is to be sold in this country at a less price than it is sold in the producing country, an equalization shall be made by way of the imposition of a duty to equal a price at which it is sold in the country producing it. Is that correct?

Mr. FORDNEY. Yes.

Mr. DEWALT. Would not the effect of that be—and I am asking the question for information—to increase the price in this country to the consumer?

Mr. FORDNEY. No. I wish to cite instances related by the Alien Property Custodian. He is a very high-class gentleman, for whom I have the highest regard, Hon. Mitchell Palmer, a good Democrat, as you gentlemen know, a long-time Member of this House. I have faith in the man's good intentions and in his honesty and fairness. In his report he points out the necessity for protection to our institutions because of unfair competition, and he cites that unfair competition. He sets forth fully that the industries in this country were destroyed by unfair competition from German manufacturers, and he calls the attention of the country to the fact that those institutions have been entirely undisturbed by the war; that they have $400,000,000 invested in those factories running to-day, or ready to run, and anxious—more so than ever before—to dump their products upon our markets and control our markets for the reason, more than at any time in the past, that Germany needs money. Germany's public debt to-day is 55 per cent of her total wealth, all caused by this war. She is in greater distress financially than any other people or any country in the world, and therefore she will seek our markets and will resort to anything and everything to control our markets and stifle competition here, and once in control will exact from our people high prices, as in the past.

Mr. DEWALT. Granting the effectiveness of the gentleman's argument, and granting the necessity for some such protection, is not the result precisely what I have tried to state, that when you impose the duty on the imported article here to equalize the price, namely, impose a duty equal to the price at which the article is sold in the foreign country, that instead of reducing the price here the effect will be to raise the price to the consumer in this country?

Mr. FORDNEY. That will be true if the foreigner after stifling competition here will sell his goods at the lower price, but as set forth by Mr. Palmer in his report, immediately after destroying competition here the foreigner put the price higher than ever before and exacted the difference in price from our people, because our people had no other market in the world to go to but that foreign market. Take the case of oxalic acid, which sold at 6½ cents a pound when our producers at home were compelled to go out of business because of that unfair competition. When that was accomplished the Germans immediately put the price up to 9 cents a pound—higher than ever before.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. It seems to me that the gentleman has not yet answered the question.

Mr. FORDNEY. If I have not made myself clear, I want to say this, that if after destroying American competition the

foreigner sells his goods in this country at the price at which he sells them at home, which would yield him a fair profit, then it would have a tendency to increase the price to the consumer if we destroyed that foreign competition, but generally that is not the result; that is not what happens.

Mr. HARDY of Texas. The question that I was about to ask was in a case where there was no domestic competition.

Mr. FORDNEY. Then this bill does not apply.

Mr. HARDY of Texas. Just one moment. Section 9 provides, in effect, if I understand it rightly, that goods admitted, either dutiable or free, shall have the amount of tax imposed upon them that represents the amount they are sold for here less than what they are sold for at home. Take coffee, for instance.

Mr. FORDNEY. Let me answer the gentleman right there, because I think I see his point, and I want to answer it thoroughly and correctly if I can. The bill provides for goods dutiable and free, but that should apply only, and would apply only, to such goods as come in competition with articles made here, a competitive product, and would not apply to a noncompetitive product.

Mr. HARDY of Texas. Will the gentleman refer me to the part of the bill which makes it apply to goods produced in this country only?

Mr. FORDNEY. There is such language in the bill, although I can not put my finger upon it now. The provisions of the bill apply only to an article that comes in competition, the kind or like of which is made in this country. If the kind or like is not made here, then the bill does not apply.

Mr. HARDY of Texas. When it came to the question of determining whether the goods were in competition, you might be able to utilize products filling the same use and say that they are competitive.

Mr. FORDNEY. If it were an article that came in competition or a like article, then it would apply, because a foreigner could destroy that competition here.

Mr. HARDY of Texas. Will not the result of that liberal interpretation of competition be that all articles will practically be subject to this same section 9?

Mr. FORDNEY. No; I would not say so; and neither did any of the experts who were here and who spent eight days with me in preparing this bill. There were three gentlemen from the customs office in New York, who were very clear and very thorough in their knowledge—Mr. Davis, who had been in the employ of the Government for 29 years; Mr. Fix, for 30 years; and Mr. Wolfe, for some twenty-odd years, as I remember.

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

Mr. FORDNEY. Yes; although I am consuming too much time.

Mr. REAVIS. The first section of this bill provides:

That the "special duties" provided for in this act shall be levied upon all articles imported into the United States of a class or kind identical or comparable with a class or kind made or produced in the United States.

Mr. FORDNEY. Yes, sir.

Mr. REAVIS. That now constitutes a restriction of that kind?

Mr. FORDNEY. Yes, sir.

Mr. HARDY of Texas. Where is that?

Mr. REAVIS. On the first page of the bill, section 1.

Mr. FORDNEY. Under the five-minute rule I will answer any questions any gentleman may ask, if I can. [Applause.] In the course of my remarks I have made several references to the instances of unfair practices and dumping set forth in the annual report of Hon. A. Mitchell Palmer as Alien Property Custodian, and I will append some quotations from the report in question.

On pages 30 and 31 of this report Mr. Palmer makes the following statement with reference to the dumping of dyestuffs in the United States:

Overproduction led to determined effort to establish and maintain a large export trade. The natural advantages of the German industry, as compared to the industry in other countries, prevented serious competition in Germany itself. The Government's tariff and other policies enabled home prices to be kept up. It was then evidently to the advantage of any manufacturer to produce more than he could sell in the home market, even if his export trade had to be carried at a loss, when by doing so he could use a process so economical that its profits on home trade would be largely increased. Accordingly German dyestuffs began to appear in every country at prices which domestic manufacturers could not meet. The inevitable result was that in country after country the domestic manufacture was destroyed or stifled in its cradle. As soon as this had been accomplished it was no longer necessary for the German exporter to sell below cost. Prices were immediately raised and handsome profits realized. * * *

The methods under which this dumping policy was conducted, and its extent, may be illustrated by a few specific instances. Most of these occurred in branches of the chemical industry other than the manufacture of dyes, for the simple and sufficient reason that in this country, at least, the dyestuff industry never reached the point where it required much discouragement.

The report then proceeds to point out that in 1910 a group of men in the United States engaged in the manufacture of aniline oil, then selling at 11¼ cents, and the Germans immediately began underselling this product, one of whose customers refused "an advantageous contract at 8½ cents, stating that he had assurance from the Germans that whatever price the Benzol Products Co. made would be met and bettered by them." This company struggled along without profits until the war gave it an opportunity to establish its business on a firm foundation.

In his report Mr. Palmer continues:

In 1903 there were in the United States five manufacturers of salicylic acid. By 1913 three of these had failed. * * * During the latter part of the decade referred to salicylic acid was selling in Germany at from 26½ to 30½ cents. During the same period the German houses were selling it in this country, after paying a duty of 5 cents, at 25 cents, or from 6 to 10 cents below what they were getting at home.

Of oxalic acid the report says:

In 1901 where there was no American manufacture it was sold by the Germans at 6 cents. In 1903, when the works of the American Acid & Alkali Co. was started, the price was immediately dropped to 4.7 cents, at about which figure it remained until 1907 when the American factory was shut down for a number of months. During this shut-down the price was instantly raised to 9 cents. When the factory reopened the price was again dropped until in 1908, when the company failed. * * *

The same process was carried on in regard to bicarbonate of potash. In 1900 there was no manufacture, and imports ran about 160,000 pounds. In 1901 American manufacture began. This succeeded so well that in 1906 imports had dropped to 45,000 pounds. At this time the American manufacturer's price was 6¼ cents, while the import value was given at 4.9 cents. In the following year the Germans made a determined and successful onslaught. Their import value was lowered to 2.2 cents with the result that, instead of 45,000, 310,000 were imported. Accordingly in 1908 the American manufacturer failed. The price was immediately raised to 7½ cents and remained thereabout until the war.

Does the gentleman from North Carolina wish to use some time?

Mr. KITCHIN. No. Where is the gentleman from Idaho? I thought that he was to come in for 40 minutes. Let these other gentlemen——

Mr. FORDNEY. If agreeable, I will yield 30 minutes to the gentleman from Ohio [Mr. LONGWORTH]. I yield that time to the gentleman from Ohio [Mr. LONGWORTH]. [Applause.]

Mr. LONGWORTH. Mr. Chairman, apart from its somewhat technical administrative details this bill is extremely simple. It provides that whenever goods are exported into the United States and sold here for less than their home value, or when that is not ascertainable the price for which they are sold in other countries, or if that can not be ascertained, then their cost of production, a duty shall be imposed upon them, in addition to all other duties, equal to the difference between the sales price here and the foreign home value, the value to countries other than the United States, or the cost of production, as the case may be. In other words, it is designed to prevent the capture of the American market by countries who are willing to sell their goods here cheaper than they sell them anywhere else.

This is good legislation. It is in line with that recently enacted and in process of enactment by many other countries to prevent the destruction of the home market for the home producer. It would be wise legislation under any conditions, but particularly so in anticipation of the return of peace conditions and the resumption of international competition. More than that, its passage becomes absolutely imperative, to my mind, in the face of the tariff policy announced by the President in his recent message to Congress, for without it there will be for the next year and a half no barrier to the inroads of the products of the world except that afforded by the entirely inadequate duties provided in the Underwood law. In that message the President went further than he has ever gone before in the direction of pure and absolute free trade. He virtually announces that he will veto any measure which has for its design the encouragement, by the use of the tariff or other measure for the restriction of imports, of any American industry except only the dyestuff industry. The position that the President now takes upon the tariff question is a complete reversal of that taken as late as the middle of the summer of 1916. On the 28th of July of that year he wrote a letter to the Illinois Manufacturers' Association, of Chicago, outlining his then position about the tariff, a sentence from which, a few days afterwards, I quoted in the House. Referring to the work expected to be done by the Tariff Commission, he said:

It ought to be possible by such means to make the question of duties merely a question of progress and development, a question of adopting means to ends, of facilitating and helping business, and employing to the utmost the resources of the country in a vast development of our business and enterprise.

I will concede that that sentence may be susceptible of different constructions, as sentences used by the President sometimes

are, but there is no question as to how it struck the country or this House at that time. Before I had announced its authorship, Mr. Sloan, a then distinguished Representative from Nebraska, undertook to guess that its authorship lay either with Mr. FORDNEY, of Michigan, or Mr. MOORE of Pennsylvania. When later I stated that it came from no less a person than the President of the United States my friend from North Carolina [Mr. KITCHIN] became very indignant. After questioning my authority, which I stated to be the Washington Post, from which I read the extract—and, by the way, I confirmed its authenticity through a telegram from the president of the Illinois Manufacturers' Association a few days later—Mr. KITCHIN said:

Mr. Speaker, I want to deny in the name of the President and the name of Democrats of this House and of former Congresses and in the name of Democrats throughout the country that the President ever uttered such language, because, in my judgment, it is impossible for any man who voted for the Underwood Act or indorsed the Underwood Act, much less one who signed it, to have conceived and expressed publicly such high protective tariff sentiments. I have never known even as high a protectionist as Mr. FORDNEY or Mr. MOORE, to whom the gentleman from Nebraska referred, to utter such a sentiment with regard to the tariff. The man who believes that import duties should be merely a question of progress and development of business is bound to favor the repeal of the Underwood Act, for not a section, paragraph or line in that act was conceived or written upon any such theory. Of course he never made such a statement as the gentleman from Ohio or the Washington Post attributes to him. I repeat my denial in the name of the President and the Democratic Party.

Little more than three years later, in the message delivered on the 2d day of this month to the Congress, the President takes precisely opposite ground. He opposes any use whatever of the tariff to build up the business of the country by hampering in any way shipments of goods here by foreign nations.

Mr. Chairman, at this point I ask unanimous consent to print in my remarks all that part of the President's message which deals with the tariff question.

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

Mr. BLANTON. Mr. Chairman, reserving the right to object for the purpose of asking a question of the gentleman, does the gentleman from Ohio contend that the intervening world-wide war in which this country took part might not have changed conditions?

Mr. LONGWORTH. Not at all.

Mr. BLANTON. So as to have warranted a change in the position even on the part of the President of the United States?

Mr. LONGWORTH. The object of my remarks to-day is to show that no such conditions have arisen, even as a result of the war, as to warrant such a remarkable change of policy.

Mr. BLANTON. Much has transpired during the past few years.

Mr. LONGWORTH. I concede that and I will elaborate upon it.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. LONGWORTH. At the outset of his discussion of the tariff question he says in his message:

The prejudice and passions engendered by decades of controversy between two schools of political and economic thought, the one believers in protection of American industries, the other believers in tariff for revenue only, must be subordinated to the single consideration of the public interest in the light of utterly changed conditions.

In other words, there is to be no longer any issue between the two parties upon the tariff. Our century-old policies are to be merged into the one vague policy of "the single consideration of the public interest," whatever that may mean. For myself I am prepared to concede that from the point of view of revenue the tariff question is not of the prime importance that it was before the war. The additional amount that could be raised from a tariff, if we Republicans could write it, as compared with the vast amount of revenue that must be raised for many years to come to pay for the expenditures, legitimate or illegitimate, contracted under this administration, would be relatively insignificant. That much I concede, but that there will be any abandonment by the Republican Party of the policy of protection I vigorously deny. [Applause.] You of the Democratic Party may throw your tariff-for-revenue planks into the waste-basket if you please, but I predict without hesitancy that in our next convention we Republicans will have in our platform a strong American protective plank, and upon that platform we shall sweep the country. [Applause on the Republican side.]

The President goes on in his message to elaborate upon the great increase in our balance of trade, due to our enormously increased exports, our loans of nearly $10,000,000,000 to the Allies, and the fact that we have now built our own ships. These balances, he says, can only be paid for in three ways—by extension of credits, importations of gold, or importations of goods. With one sweep of his pen he eliminates the first two of these from consideration.

Anything, therefore—

He says—

which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore of preventing the exports from being made. The productivity of the country, greatly stimulated by the war, must find an outlet by exports to foreign countries, and any measures taken to prevent imports will inevitably curtail exports. * * *

Later on he says:

Whatever, therefore, may have been our views during the period of the growth of American business concerning tariff legislation we must now adjust our own economic life to a changed condition growing out of the fact that American business is full grown and that America is the greatest capitalist in the world.

This means, if I can read the English language, but one thing, and that is that we must for the future abandon any effort through the tariff to conserve in any degree our home market for our own producers and seek only the development and extension of our export trade.

In the very next sentence he goes on and says:

The provincial standards and policies of the past which have held American business as in a strait-jacket must yield and give way to the needs and exigencies of the new day in which we live.

I confess I find it difficult to adjust my mind to the proposition that in the future, as American business is now "full grown" and we have become "the greatest capitalist in the world," that, therefore, we must at once cast off that "strait-jacket" of "provincialism" which has made us what we are. If the maintenance of our policy, established from the time of our beginning as a Nation, of noninterference in disputes between other nations in which we have no interest or concern is "provincialism"; if insistence upon the Monroe doctrine and of our right to determine for ourselves who shall and who shall not be admitted to our country and our citizenship is "provincialism"; if concern for the retention of the American market for the products of American industry and American labor is "provincialism," then I for one am willing to stay provincial for a while longer.

Of course conditions have changed, but that they have changed to the extent that we must abandon all the standards and policies of the past, so that, forgetting our home market, we are to enter into a mad scramble for the world market, I for one refuse to believe. I am willing to go to any reasonable extent to make the path of our allies toward industrial rehabilitation as easy as possible, but I balk at giving them free rein in the American market. I may be provincial, but I have not yet abandoned the belief that the American market is primarily for the American producer. Furthermore, I believe I am gifted with sufficient vision to see that the abandonment of any measures restricting importations into this country nominally in the interest of those of our allies who are our largest debtors would in the end redound not so much to their benefit as to the benefit of other countries who owe us nothing. Does it need argument to show that duties low enough to invite large importations from Great Britain and France would invite even larger importations from Japan? If it be good policy to turn over a portion of the American market to those of the nations who owe us money that they may thus more early cancel their debt to us why not do it through the medium of reciprocal trade agreements, which the President has the power to negotiate under existing law? Under such a policy, while sacrificing much, we would at least have received something in return. Under the policy announced by the President we sacrifice far more, and not only do we receive nothing in return, but those countries which deserve most at our hands will be the last to benefit.

Mr. HARDY of Texas. Will the gentleman yield right there?

Mr. LONGWORTH. I will.

Mr. HARDY of Texas. Does the gentleman mean by reciprocal relations—perhaps I should not hazard a guess at what the gentleman means by trade relations——

Mr. LONGWORTH. Trade agreements, I said.

Mr. HARDY of Texas. Does the gentleman mean that America should negotiate special trade agreements with certain nations giving them preferences over other nations, thereby abandoning the doctrine of equal treatment of other nations?

Mr. LONGWORTH. Oh, it has been the policy of this country for many years, both under Democratic and Republican administrations, to have reciprocal trade agreements with other nations that put their imports on a different footing from those of other nations.

Mr. HARDY of Texas. The point I wanted to get at was whether the gentleman was advocating the idea of negotiating

a great number of special trade agreements with the nations that owe us money so as to accept their imports while excluding those of countries such as Japan?

Mr. LONGWORTH. The President bases his main contention against the establishment of any protective tariff on the proposition that some of our allies owe us large sums of money, and the only way they can pay it is by the shipment of goods into this country. I have no particular plan, and I am not in a position to give advice to this administration. I merely say that under the Underwood law the President has the power to negotiate trade agreements with such nations as he pleases, and if the prime object now is to afford nations which owe us money the means to pay that money, why not make separate arrangements with those nations and not throw the entire American market open to the products of the world.

Mr. HARDY of Texas. I really wanted to get the gentleman's view, which is, as I understand him, that we should negotiate separate treaty and trade agreements with England, France, Italy, and other countries——

Mr. LONGWORTH. I do not say we should; I simply say that the President has the power——

Mr. HARDY of Texas. I thought the gentleman suggested that as an alternative. The gentleman remembers the great fight on the Canadian treaty.

Mr. LONGWORTH. I remember its final fate rested with Canada and not with this country.

Mr. HARDY of Texas. The gentleman also remembers the campaign afterwards, in which it was a very great issue?

Mr. LONGWORTH. I recall the fact that so far as the House and Senate was concerned, it passed in this country. It was beaten in Canada. I do not know what the result any treaty the President might negotiate with France would be in France.

Mr. HARDY of Texas. The gentleman knows that in the succeeding campaign, after Congress approved the Canadian treaty, that became a great issue, in which the portion of the Republican Party led by Mr. Taft was attacked by that portion of it which was led by Mr. Roosevelt.

Mr. LONGWORTH. I would not want to suggest anything that would bring the Democratic Party into any greater disrepute than it is in now.

Mr. HARDY of Texas. I think I realize the gentleman's solicitude, and this bill may aid the Democratic Party.

Mr. WINGO. Will the gentleman yield there?

Mr. LONGWORTH. I yield, although my time is almost up.

Mr. WINGO. I am not a free-trader myself——

Mr. LONGWORTH. I know the gentleman is not.

Mr. WINGO. Just following the gentleman's idea of the goods we could take from France, France has not the gold to meet the balance of trade against her, and has not had for some time. What goods can we take from France?

Mr. LONGWORTH. I do know that the President says that we must not use the tariff in any way to hinder importations from France, because that is the only way that France can pay her debts to us. I do not know what those goods may be. They may be textiles; they may be silks; they may be laces. They will not be wines. [Laughter.]

Mr. WINGO. There is no doubt about that. Here is the point I wanted to get at. The gentleman, of course, recognizes that there is a happy mean between two extremes. There is a practical middle ground between the absolute free-trader and the man who wants a prohibitive tariff, that will shut out everything. Now, can the gentleman suggest as a practical proposition—and I have an idea that is what the President had in mind—that our tariff laws should not be used as an absolute power to prohibit these nations from sending us the only thing they can pay us in; that is, commodities? Can the gentleman offer any plan that would meet that situation?

Mr. LONGWORTH. I refer particularly to what the President says, without qualification, which is this:

> Anything, therefore, which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore prevent the exports from being made.

Now, this is what I am particularly calling to the attention of Members of Congress: Assuming it to be wise to deal ultrafairly, so far as tariff duties are concerned, with those nations which owe us money, offering them thereby the means for settling their debts, if we establish such duties as will encourage high-cost countries like Great Britain and France to send their goods in here, how much more will it encourage Japan and the cheap-cost countries to flood our market? And will not those nations—Japan and the other cheap-cost nations—benefit very much more than would Great Britain or France or any of our other allies to whom we have loaned money? How can there be any question of that? I merely suggest this as to the question of reciprocal trade agreements, that whether or not it be a wise policy, at least it would be a better policy than that of throwing our market open to the world.

Mr. WINGO. Allow me to see if I catch what the gentleman means. Of course, we recognize that there is a lower cost, say, in Japan than in England or France.

Mr. LONGWORTH. Yes.

Mr. WINGO. The gentleman suggests that a better way, instead of having a tariff that would be low enough to permit England and France to meet the balances on commodities, which would at the same time permit Japan to flood us, we better have a separate reciprocal agreement with those countries that we want to sell to?

Mr. LONGWORTH. I think that would be better.

Mr. WINGO. Has this occurred to the gentleman? It seems to be pretty well understood by those who have studied the economic conditions of America, as well as of England, France, and Belgium, that the war added greatly to the productive capacity of American manufacture. Machinery and plants were put in operation primarily during the war for war purposes, yet were so constructed that with little changes they can be turned into industrial activities after the war. If that be true, it seems to be agreed by most of the authorities I have consulted that we will produce in eight months' time as much as the American market can consume, and must have some other market for the four months of products. The other nations being upon a paper basis, how are they going to settle their balance in return for this four months' surplus that we must find a market for in order to maintain the prosperity of the American manufacturer?

Mr. LONGWORTH. Well, the gentleman is assuming several things that I do not think ought to be assumed. He is assuming, in the first place, that all the equipment installed for the production of purely war material will be equally useful in producing peace material.

Mr. WINGO. Oh, I did not say "all." I say "some."

Mr. LONGWORTH. The gentleman is also assuming that conditions as to wages and the conditions of production are as favorable as they were before the war. I do not think that either of those assumptions can safely be made. I do not believe that the store of goods in this country under conditions as they exist to-day will be so much greater than the American demand that we will have to ship them abroad.

But that is not the point that I am endeavoring to bring out. I am going to repeat again: The President says that we must now seek export trade, because we can not afford to prevent the nations who owe us money from having a free rein in the American market. He says that there are only three ways to pay the debt that is owing to us: First, with gold; second, with extension of credit; and, third, with importation of goods. He says it is indefensible to further extend credit, that we would view with alarm the sending in by other nations of gold, and it is upon that theory perhaps that the Treasury Department is not receiving now, under this administration, any of the interest on our foreign obligations. They do not want it apparently. It is their policy not to accept shipments of gold from Europe. That leaves one alternative, that Europe must pay the amount owed to us by importing their goods into this country and thereby displacing to that extent goods manufactured in this country. My proposition is that even if that were good policy it would redound far more to the benefit of nations like Japan, who owe us nothing, than it would to Great Britain and France, who owe us largely.

Mr. WINGO. It is not the policy of the present administration not to take all the gold it can get from Europe, and as a matter of fact recently we have insisted upon arrangements which would give us the right to ship to this country, upon demand, certain sums of gold that we are having placed where we can control it.

Mr. LONGWORTH. That may be the gentleman's view, but it is not the President's.

Mr. WINGO. I beg the gentleman's pardon. It is the view of the Treasury, and the President is in harmony with that view, too.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GREEN of Iowa. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes more.

Mr. LONGWORTH. Whatever may be the view of the gentleman from Arkansas and the view of the Secretary of the Treasury, that is not the President's view as announced the other day to this Congress. He said specifically "Europe is in no position at the present time to ship gold to us, nor could we

contemplate further imports of gold into this country without concern."

Mr. WINGO. That does not seem to say that the President does not want it. He is recognizing the fact—and it is a fact, as the gentleman will find if he will investigate—that they have not the gold and can not procure it. On the contrary, we are getting all the gold from there that we can lay hands on.

Mr. LONGWORTH. I assume that it is proper to be indulgent to the Allies in view of their industrial conditions, but I am not willing to sacrifice the American market to accomplish that result. [Applause.]

I confess that I listened to the reading of this portion of the President's message with feelings of the keenest disappointment. I had sincerely hoped that there might have been cooperation between Congress and the Executive in the passage of some tariff measures designed to save at least those industries which are of peculiarly war origin, and whose destruction upon resumption of international competition without legislative assistance I fear is inevitable. The only exception the President makes is in the case of dyestuffs, and for that I am deeply grateful, for it insures the final enactment of some such measure as we passed here in the House not long ago; but so far as any other tariff measures are concerned we might as well face the inevitable. They are as dead as door nails.

Under these circumstances the passage of this bill becomes peculiarly imperative. It will not prevent the invasion of the American market by goods which can be made abroad cheaper than we can make them, but at least it will keep out goods to be sold here cheaper than our competitors can make them.

For these reasons, gentlemen, I earnestly advocate the passage of this bill. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield for just one question?

Mr. LONGWORTH. Yes.

Mr. GREEN of Iowa. The gentleman said the bills to which he referred were "dead." I understand he means because we can not ever expect to receive the approval of the President?

Mr. LONGWORTH. Yes; because the President in effect announces in his message that he will veto every one of them.

Mr. GREEN of Iowa. Mr. Chairman, I now yield 15 minutes to my colleague [Mr. GOOD].

The CHAIRMAN. The gentleman from Iowa is recognized for 15 minutes.

Mr. GOOD. Mr. Chairman, what I shall say while dealing with revenue and expenditures only in a remote degree, if at all, bears on this bill.

At the end of each session of Congress it has been customary to review the work of that Congress so far as appropriations are concerned. The burden of debt left by the war and the demand for increased appropriations occasioned thereby make it necessary that we fully understand at the beginning of this session of Congress what the estimated financial requirements of the Government are.

The Book of Estimates submitted by the Secretary of the Treasury a few days ago carries a total estimate for the regular annual appropriation bills and the permanent and indefinite appropriations for the fiscal year ending June 30, 1921, of $4,865,410,031.62. This sum does not include certain charges for the next fiscal year for which appropriations have been made and which have not been taken into account in arriving at this total.

The Post Office appropriation act approved February 28, 1919, carried an appropriation of $78,000,000 to be expended during the fiscal year ending June 30, 1921, and which is in addition to the $26,000,000 included in the total of permanent appropriations for road construction for the next fiscal year. This item is not included in the estimate referred to.

Under the law the Secretary of the Treasury is authorized to redeem war-savings certificates, and by his annual report, just submitted, he proposes to pay out during the next fiscal year $125,000,000 for such purposes. This amount is not included in the Book of Estimates.

So, too, under the law the Secretary of the Treasury has authority to retire Federal reserve bank notes and the notes of national banks, and by his annual report he expects to retire notes of this character during the next fiscal year aggregating $25,000,000, but no estimate is made for the money necessary to redeem such notes.

In addition, he proposes, as shown by his annual report, to expend $300,000 during the next fiscal year in the miscellaneous redemption of the public debt.

The Secretary of the Treasury estimates that $740,000,000 will be used for the present fiscal year in the exercise of the authority granted him by the act of April 4, 1918, for the period of the war and for one year thereafter to set aside a fund not to exceed 5 per cent of the amount of the bonds outstanding, to be used for retirement of such bonds. No estimate is made for such purpose for the next fiscal year because of the sinking-fund provision provided for in the act of March 3, 1919. The Secretary of the Treasury estimates that the sinking fund provided for in said act will require an expenditure of $237,500,000, and said sum is carried in the Book of Estimates. The necessity for the payment of the $300,000 above referred to is in the report of the Secretary of the Treasury but is not carried in the Book of Estimates.

These items that are not included in the Book of Estimates, aggregating $228,300,000, may be expended by the Secretary of the Treasury irrespective of any action by Congress.

Naturally, no estimate is to be found in the Book of Estimates for increased compensation to Government employees. The amount estimated to be expended during the current fiscal year because of the $240 bonus provision contained in the legislative, executive, and judicial act is $30,760,000. The Postmaster General states that if the increase to postal employees granted for the present fiscal year be reenacted for the next fiscal year it will require an appropriation of $40,000,000 in excess of the estimated expenditures of that department. Formerly the departments estimated for increases in compensation for certain Government employees in the District of Columbia. Because of the provision in the legislative, executive, and judicial act of March 1, 1919, providing for a Joint Commission on Reclassification of Salaries the executive departments have decided that no increases in compensation of Federal employees should be estimated for, leaving the entire matter open for the action of Congress. Conditions regarding the cost of living have not changed to any appreciable degree during the past year, and in all likelihood Congress will be compelled to grant increases in compensation to the Federal employees equal to the increases granted for the present fiscal year, which will mean an increase in the estimates of $40,000,000 for postal employees and $30,760,000 for employees in the other branches of the Government service.

As to expenditures for the United States Railroad Administration, in his annual report the Secretary of the Treasury says:

> No estimate of expenditures by the United States Railroad Administration for the fiscal year 1921 is included, because on the date of this report the Railroad Administration was unable to make an estimate for that fiscal year, inasmuch as the sums that will be required are almost entirely dependent upon congressional action in connection with the return of the railroads to private control.

In the absence of congressional action guaranteeing a return to the railroads after they have been restored to their owners there still remains enormous obligations of the Government to pay the deficit brought about by the operation of the railroads by the United States Railroad Administration. The amount required depends also on the settlements which the Railroad Administration may be able to make in the disposition of railroad equipment purchased by the Government during the war and in the collection of advances already made to railroad companies. The deficit in Government operation of the railroads, which is large, must be paid out of the Treasury. Unquestionably the expenditure during the next fiscal year for this purpose will be very large, but the sum that will be required for this purpose for the next fiscal year is so problematical and depends upon so many contingencies that it is not safe at this time to venture a conservative estimate.

Very naturally, too, the amount of supplemental and deficiency estimates are altogether problematical, and depend upon a great many contingencies. There is no accurate way of arriving at an estimate of the amount which may be requested for the next fiscal year. The highest amount in the aggregate requested in supplemental estimates in any year immediately prior to 1916 was $31,500,000, while the average per year for a period of 10 years prior to the war was $17,867,500. The largest amount of deficiency estimates sent to Congress for any one year immediately prior to the war was $57,000,000, while the average per year for a 10-year prewar period was $24,270,000. Is it not fair to assume that the supplemental and deficiency estimates for the next fiscal year as compared with the prewar estimates for like purposes will be twice as large as they were for the 10-year prewar average? Using this as a basis, I believe we may assume that for the next fiscal year the supplemental estimates will exceed $35,000,000 and the deficiency estimates will not be less than $50,000,000. To show that this estimate is conservative it is only necessary to remind the House that in the first week of this session of Congress one supplemental estimate was received for $10,000,000.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GOOD. I yield to the gentleman.

Mr. GREEN of Iowa. I do not know that I fully understand the gentleman. The matters that the gentleman has men-

tioned have included proposals that amount to $50,000,000, and the amount that possibly would be allowed on those omitted items, such as increased pay for the Army and Navy and the Shipping Board items, and so on, will aggregate, as they will be submitted finally to the country, somewhere to nearly half a billion dollars.

Mr. GOOD. I am not taking into consideration any of those things. I am only taking into consideration the payment of those things that are provided for by law, where appropriations have been made or where authority has been given to pay out the money. Before the House Committee on Interstate and Foreign Commerce Mr. Sherley estimated that there would be required to be paid by the Government not less than $371,000,000 and possibly $471,000,000 in order to have the Government settle accounts with the railroad companies; but how much of that will be required to be paid during this fiscal year and how much will hang over into the next fiscal year no one can tell. It is so problematical that I have not attempted to deal with it, because I am only dealing with the estimates for the fiscal year ending June 30, 1921, which will have to be dealt with, and in that regard I have limited my consideration to those items where we can, with some degree of accuracy, make an estimate.

Mr. FESS. Will the gentleman yield?

Mr. GOOD. I yield to the gentleman from Ohio.

Mr. FESS. Does the gentleman express a fear that the deficit will go beyond what the Secretary of the Treasury stated?

Mr. GOOD. I have no doubt that it will go beyond that unless the revenue receipts exceed the estimates.

Mr. FESS. Then does the gentleman know how we can act favorably upon the recommendation of the President that we reduce the income tax and the war excess-profits tax?

Mr. GOOD. I do not believe it will be safe to reduce any taxes at the present time unless some provision is made to supply the money from some other source that that reduction would take out of the Treasury of the United States.

I realize that some of these estimated requirements are only estimates, but if any error has been made in making them, it will be found, I am sure, on the part of conservatism.

Let us recapitulate them in order to see what our estimated requirements really are for the next fiscal year:

Recapitulation for 1921.

Total of estimates submitted in the Book of Estimates for 1921	$4,865,410,031.62
Construction of roads (carried in post-office act of February, 1919)	78,000,000.00
Redemption of war-savings certificates	125,000,000.00
Retirement of Federal reserve and national bank notes	25,000,000.00
Miscellaneous debt redemptions	300,000.00
$240 bonus, if repeated for 1921	30,760,000.00
Postal increase, if repeated for 1921	40,000,000.00
Supplemental estimates which may be transmitted during the session on account of 1921	35,000,000.00
Deficiency estimates which may be submitted against the revenues of 1921	50,000,000.00
Grand total	5,249,470,031.62

In order that we may see the entire picture as to our financial transactions it is interesting to know the sources from which the revenue must come with which to pay these extraordinary expenses. These estimated revenues are fully set forth in the annual report of the Secretary of the Treasury, and are as follows:

Customs	$325,000,000
Internal revenue:	
Income and excess profits	3,000,000,000
Miscellaneous internal revenue	1,190,000,000
Public-land sales	1,000,000
Miscellaneous sources (including estimated return of $500,000,000 of capital stock of Grain Corporation)	896,000,000
Panama Canal, tolls, etc	8,000,000
War-savings certificates	175,000,000
Deposits to retire Federal reserve and national-bank notes	25,000,000
Postal savings bonds	350,000
Postal revenues	415,500,000
Total estimated receipts	6,035,850,000

It will be observed that there is an excess of estimated revenue over estimated expenditures. But this surplus immediately disappears when considered in connection with the estimated deficit in the general fund of the Treasury on June 30, 1920. The Secretary of the Treasury estimates that on the 30th of June, 1920, there will be a deficit in the general fund of the Treasury of $3,155,888,543. If we deduct this surplus from the estimated deficit we have a total estimated deficit of $2,369,508,574.62. If to this amount we add the item for a working balance, which it has been found necessary to keep in the Treasury, of $500,000,000, we have a total estimated deficit on June 30, 1921, of $2,869,508,574.62.

I shall append to my remarks a detailed comparative statement with regard to the estimates for appropriations, and a comparative statement showing the estimated revenue and the sources from which it is derived, for the fiscal years 1920 and 1921.

It is not my purpose to comment upon these estimates. I present them for the study and consideration of the House. They should be studied and considered along with our consideration of such measures as the Fuller pension bill, the civil-service retirement bill, the bills providing for increases in pay to officers and men in the Army and Navy, the Mondell land bill, the Morgan housing bill, and numerous bills for the payment of bonuses to our discharged soldiers. Meritorious as some of these measures may be, every one of them should be considered only with respect to the condition of the Treasury of the United States and the demands that will be made upon it in the discharge of obligations already created by law. Whatever its legislative duties, no greater problem confronts this Congress than that of applying the pruning knife to the estimates of expenditures. It must be applied with intelligence, but with vigor and determination, for if this Congress shall appropriate more than $4,000,000,000 for the expenses of the Government for the next fiscal year over and above the necessary appropriations for the United States Railroad Administration it will fall short of its obligations to the taxpayers of the United States. After all, it is idle to reduce estimates if such reduction shall only result in the enactment of legislation whereby the Government is required to assume new duties that are no more meritorious than those curtailed or eliminated, and which may require even larger appropriations.

Table comparing by bills estimates of regular annual appropriations for the fiscal year 1921 with the appropriations made for the fiscal year 1920, during the third session of the Sixty-fifth Congress and the first session of the Sixty-sixth Congress.

The column of 1920 appropriations does not include the sums carried for that fiscal year in deficiency and miscellaneous appropriation acts for similar purposes. The estimated appropriations for 1921 will be found in detail in the annual Book of Estimates, House Document No. 411, transmitted to Congress on December 1, 1919.

	Estimates, 1921.	Appropriations, 1920.	Increase, estimates 1921 over appropriations for 1920.	Decrease, estimates 1921 under appropriations 1920.
Agriculture	$37,528,102.00	$33,899,761.00	$3,628,341.00	
Army	982,803,020.00	772,324,877.50	210,478,142.50	
Diplomatic and Consular	11,243,250.91	9,843,681.67	1,399,569.24	
District of Columbia	19,179,716.03	15,364,421.00	3,815,295.03	
Fortification	117,793,330.00	11,214,291.00	105,579,039.00	
Indian	12,994,494.27	11,131,397.03	1,863,097.24	
Legislative, etc	122,212,849.02	97,983,831.77	24,279,017.25	
Military Academy	6,778,637.23	2,277,932.23	4,500,705.00	
Navy	573,131,254.80	616,095,838.88		$42,965,584.08
Pensions	215,030,000.00	215,030,000.00		
Post Office	391,713,673.00	609,463,149.00		217,752,476.00
River and harbor	42,841,565.00	33,378,384.00	9,463,201.00	
Sundry civil	906,725,387.10	607,160,207.95	299,565,179.15	
Total, regular appropriations	3,449,032,279.33	3,035,151,733.00	685,538,603.41	259,718,060.08
Permanent annual appropriations	1,425,407,752.29	1,968,997,780.00		543,590,027.71
Total, regular and permanent annual appropriations	4,865,410,031.62	5,004,149,513.00	685,563,603.41	804,308,087.79
Deficiencies		1,141,931,239.96		
Miscellaneous		1,123,478,632.41		
Amounts not included in Book of Estimates as enumerated	384,060,000.00			
Grand total	5,249,470,031.62	7,272,559,415.37		

[1] This sum includes $279,000,000 to be paid out of the Treasury for road construction for fiscal years and amounts as follows: 1919, $53,000,000; 1920, $73,000,000; 1921, $78,000,000.

Comparison of estimated revenues, fiscal years 1920 and 1921.

	1921	1920
Customs	$325,000,000	$275,000,000
Internal revenue:		
Income and profits taxes	3,000,000,000	3,750,000,000
Miscellaneous	1,190,000,000	2,240,000,000
Public land sales	1,000,000	1,250,000
Miscellaneous sources	896,000,000	834,000,000
Panama Canal, tolls, etc	8,000,000	7,200,000
Total	5,420,000,000	6,107,450,000
Public debt receipts:		
Third Liberty loan		1,365,293
Fourth Liberty loan		33,568,663
Victory loan		1,330,372,678
War savings certificates	175,000,000	125,000,000
Deposits to retire bank notes of Federal reserve and national banks	25,000,000	20,000,000
Postal savings bonds	350,000	250,000
Total, public debt	200,350,000	1,210,556,634
Postal revenues	415,500,000	386,600,000
Grand total revenues	6,035,850,000	7,704,606,634

Mr. GREEN of Iowa. May I ask how the time stands on the respective sides?

The CHAIRMAN. The gentleman from Michigan [Mr. FORDNEY] has eight minutes remaining, and the gentleman from North Carolina [Mr. KITCHIN] has used no time.

Mr. FORDNEY. I yield to the gentleman from Idaho [Mr. FRENCH] seven minutes.

Mr. KITCHIN. I yield to the gentleman from Idaho 20 minutes.

The CHAIRMAN. The gentleman from Idaho is recognized for 27 minutes.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. SMITH of Michigan having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2377. An act to amend section 1 of the act approved July 17, 1916, known as the Federal farm-loan act, so as to provide for the payment of the expenses of the Federal Farm Loan Board and employees by the Federal land banks and joint-stock land banks; and

S. 806. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in claims of the Iowa Tribe of Indians against the United States.

The message also announced that the Senate had passed with amendment the bill (H. R. 1199) to prohibit the purchase, sale, or possession for the purpose of sale, of certain wild birds in the District of Columbia, in which the concurrence of the House of Representatives was requested.

ANTIDUMPING LEGISLATION.

The committee resumed its session.

Mr. FRENCH. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, a point of order. I think it is a reflection, and that it shows a want of respect for the great Ways and Means Committee to discuss this important tariff measure with only 31 Members on the floor, and I make the point of order that there is no quorum present.

Mr. GREEN of Iowa. The gentleman from Idaho is not going to discuss the tariff bill.

Mr. BLANTON. He is going to discuss the question of the Russian soviet, and he ought to have an audience to hear him on that momentous question.

Mr. FRENCH. I request the gentleman not to make the point of order.

Mr. BLANTON. As the Republican whip is getting them in out of the cloakroom, I withdraw the point of order.

Mr. FRENCH. Mr. Chairman, some little time ago, purely as a matter for my own information, I made something of an analysis of the Russian soviet constitution. In talking the question over with various Members of the House, several of them were good enough to express the wish that at some time I would address the House on the subject, and it is with that in view that I have asked for a little time to-day.

It has been nearly three years since March 12, 1917, when the unrest in Russia culminated in the overthrow of the dynasty of the Romanoffs, and then with kaleidoscopic rapidity the Government was transferred from Czar Nicholas to Prince George Lvoff, from Lvoff to Kerensky, and from Kerensky to Lenin and Trotski, the leaders of the soviet form of government.

We are not surprised when extreme and radical groups of people applaud an extreme and radical type of government. We are not surprised that anarchists everywhere, that I. W. W.s everywhere, that the left wing of the Socialist Party of the United States, that the Social Democratic Party in the United States, and similar organizations in other countries heralded with delight the soviet government in Russia; but we are surprised when people who, we assume, have accurate habits of thought express their opinion as favorable to the soviet system.

Not very long ago a professor in one of the leading universities of our country spoke his mind in favor of soviet government. As soon as he understood a little more of what it meant he was just as ready to withdraw his approval.

Not many weeks ago the Postal Employees' Union of the city of Minneapolis, Minn., adopted a resolution pertaining to Russia that included the following:

> And whereas fully 95 per cent of the population of Russia fully supports the soviet government of Russia, be it resolved that the Minnesota Federation of Labor express its sympathy with the soviet Russia.

I understand that this resolution was strenuously advocated by four members of the Postal Employees' Union; that these four members, who were delegates from the union to the State convention of the American Federation of Labor of Minnesota that convened on July 22–23, 1919, presented the resolution to that organization and secured its adoption.

Now, I can not for one minute fail to think that the members of the State Federation of Labor of Minnesota were imposed upon and misled. It may be, too, that they did not intend to indorse the idea. In my judgment, one or two features of the soviet system may have been presented to the convention and a strong plea was then made in which the sorrows and horrors through which Russia has gone during recent years—yes, indeed, during centuries—were presented to the convention and with the idea that the convention was approving some action that the Russian people have taken looking to democracy, a favorable vote was had upon the resolution.

SOVIET OPPOSED BY AMERICAN FEDERATION OF LABOR.

But the attitude of the Minneapolis Postal Employees' Union and the Minnesota State Federation of Labor must not be taken as the attitude of the laboring men of the country or the American Federation of Labor.

The convention of the American Federation of Labor, that was held in Atlantic City in June of this year, very clearly indicated its opposition to Bolshevism and to the soviet government.

Quoting Mr. Walling, in the August number of the American Federationist:

> Bolshevism in America was buried on the 17th of June. And Bolshevism in Russia will receive no support from American labor until the soviets have repudiated sovietism and surrendered unconditionally to their deadly enemy, democracy. The convention of the American Federation of Labor, by a crushing majority, definitely refused its indorsement of the soviet government of Russia, "or any other form of government in that country, until the peoples of Russia, through a constituent or other form of national assembly, representing all of the people, through popular elections, shall have established a truly democratic form of government."

What is the soviet system of government, and do we want it?

A government has no right to exist save only as it serves the highest interests of the people who make up the government and who come into contact with it.

Now, if the soviet system is better than ours, by all means let us adopt it; let us lay aside the experiment in government that we have tried for over 100 years and take over the soviet system that promises so much.

It is, then, from the standpoint of a comparison of the essential principles of the soviet system with the essential principles of the representative system such as we know it in America that I want to consider the question.

In January, 1918, the group of Russian people headed by Lenin and Trotski adopted what might be called a declaration of rights, and on July 10, 1918, the All-Russian Congress of Soviets formally adopted a constitution, and this instrument recites that the bill of rights is part of the organic law. These documents are the basic foundation of the soviet government. The form of government is known as soviet, and the active leaders in its support are Bolshevists.

Strangely enough, a good many writers seem to assume that the only unique feature of the soviet government is group representation.

For instance, Mr. Oswald G. Villard, in a paper in the official organ of the Academy of Political and Social Science, the Annals, for July, 1919, on the "Need of social reorganization in America," said:

> There is something attractive in group representation, which is what the soviet is.

to cause men who work to feel that they can not expect a fair deal from their Government, we will be doing a dangerous thing. The workingman must have faith that can not be shaken—that he can look to his representatives and to executives and courts for justice and for a square deal in his disputes with his employer. A few actions such as have been recently taken in inept dealing with labor disputes can do more to produce political discontent, dissatisfaction, and disloyalty than all of the pratings of agitators or disloyalists.

"LYING NEWSPAPERS."

I place most of the blame for existing unrest upon the newspapers. They seem to be largely giving themselves to magnifying and fomenting it. Always subservient to wealth and position, recent months have shown them in new depths of servility to the upper classes. They delight in scareheads and sensational articles upon evidences of unrest. The more reactionary the newspaper is the more vicious is its attempts to shake public confidence. Of course, it is a deliberate propaganda. Every labor disturbance is represented as the work of "aliens" or "I. W. W.s." Tales of disorder are collected from remote points, greatly exaggerated and charged to "reds." A riot, large or small, gets a scarehead as "attempted revolution." Radical literature is exploited and quoted from as evidence of "widespread anarchistic conspiracies."

Exaggeration and mystery are the keynotes of their policy. Unfortunately these dastard methods of molding public opinion have met with marked success. Though political discontent is comparatively nonexistent, the average unthinking citizen has been filled with the fear that America is on the brink of class war, anarchy, and revolution. The purpose of these newspapers is, of course, to gain for the big employers a temporary advantage over labor. In their stupidity they do not realize that such temporary present gain may have to be paid for with a heavy price in future. In their shortsightedness they see only the present hour. *I wish that they might have eyes to see that the way to meet false agitation is with the truth, and to meet well-founded agitation is with fair compromise and concession. The way to meet industrial unrest is with justice and a square deal for the wage earner. There can be no permanent solution through other means.*

THE BIRMINGHAM DAILIES.

The parasite newspapers "side swipe" the dissatisfied workingman by calling him an "alien" and his chosen leaders officials "agitators" and "reds." They show no mercy either to the worker or his friends. If from patriotic or humanitarian motives a public or private citizen shows interest in the masses, concerns himself with their problems or gives them his confidence and support, no epithet is too vile for these newspapers to fling at him. They stop at nothing to discredit or destroy him. I read numerous newspapers. Bad as they are, they are all we have for current information. In my low opinion of them generally I hope I am not influenced by the viciousness and stupidity of the dailies of my home city, though the latter are below the average. As an illustration of their methods I refer to an instance which occurred during the recent Thanksgiving vacation of Congress.

On November 30 I made a short speech in Birmingham at a meeting of workingmen held out of respect to me as their Representative. In reporting the speech the Age-Herald quoted me as having said, among other things:

> The fundamental principle of Americanism is for every man to have the same political right as the other man and the right of the whole people to have a voice in the Government.
>
> I am not in sympathy with the campaign that is being waged against the so-called aliens. These aliens are good enough to be brought over to this country, and they are good enough to remain here.
>
> The fight against them is just a blow at the workingman, for the alien, like the rest of us, is asking for the same rights and the added increase in wages, and is just as much one of us as the man who was born in this country. Then, why deport him?

"DELIBERATE FALSIFICATION" AND "LYING COMMENT."

The report was misleading and gave neither the words, purport, nor spirit of what I said, but it furnished the text of a vicious editorial attack on me in the News of December 1. Editor Glass, of the News, wrote the editorial himself. He was not present at the meeting. He did not verify the Age-Herald report, but did the unprecedented thing in journalism of accepting it as absolutely true and making it the basis of his attack. The Age-Herald report was misleading, but Glass with characteristic venom and malice, deliberately falsified the report by lying comment upon it. After quoting that part of the Age-Herald report, Glass said:

> This view argues the speaker's entire sympathy with all the anarchistic aliens of the I. W. W. type, who have done so much in the past two years to injure the country of their adoption and to undermine the sanity, patriotism, and efficiency of true American laboring men. He would not see deported the men on the Pacific coast who from ambush have shot down former overseas patriots still wearing the uniform, because they were standing up for law and order, nor is he willing to see the Emma Goldmans and the thousands of other anarchists who have propagated the doctrines bearing that sort of fruit kicked out of the land whose freedom they have abused and whose liberty they have degenerated into license.

There were numerous false statements made in the editorial, but what I have read suffices to show its diabolical malice. What I really said was by way of comment on the steel strike. I said that Gary and his mouthpieces answered the strikers by calling them "aliens" and demanding their deportation if they would not return to work; that the Steel Trust had brought these men over from Europe to get the benefit of their labor, to take the jobs of American workingmen and to breakdown the standard of American wages and living, and now that they had become accustomed to America and its ideals and sought to raise themselves to American standards and to better their condition by going on a strike the cry was raised "they are aliens, deport them." I said that if these men were good enough to be brought over to take the jobs of American workingmen they were good enough to strike for decent wages and a decent living and as strikers were entitled to the same treatment that other strikers received.

In my speech I did not refer to anarchists, disloyalists, or criminals in any way, and certainly did not attempt to defend them. I expressed no opposition to the deportation of criminals or others subject thereto under our immigration laws. Neither at that time nor at any time have I defended crime, violence, or disorder by word or implication. Any criticism of me upon such grounds is malicious, venomous, and false.

But there is no falsehood to which the editor of the News would not stoop to do me an injury. I have had previous experiences with the News and the Age-Herald. They sought diligently to destroy me during the 1918 campaign. The recent instance is but a repetition of their dastardly attacks. During that campaign the News published similar editorials to its recent attack on me. The Age-Herald published vicious and stupid cartoons of me almost daily and, in self-defense, I was compelled to bring a libel suit against it. This suit was recently tried before a jury and a judgment of $30,000 damages awarded me. I called the trial of my suit "a school of decency and manners." There seemed no other way to teach the Age-Herald these qualities. I am hoping that it may be benefited by its tuition fee.

THE REMEDY FOR UNREST.

It is time for the newspapers and those who control their policies to leave off dollar grabbing and playing for petty temporary advantage and look forward to the security of our country. They decry class prejudice in others, yet in their own small class of a favored few stand together like one man. They hound all classes but their own. They are doing more by their methods to provoke class consciousness and class solidarity than all other influences. They are rapidly driving the masses to a realization of the necessity of class action for their own protection. Of course I deplore class strife, but how can I discourage class consciousness among the masses when that seems to be the only way by which they can defend themselves against a small, domineering, class-conscious group which holds as its supreme precept "one for all and all for one" in its dealings with the masses. I would bid big business men and their editors and parasites to look upward, to hold a little to humanitarianism, to know "that none serves himself so well as he who serves his fellow man, and none serves his country so well as he who labors for reasonable equality among all its citizens in right, privilege, and opportunity."

Unrest provoked by injustice is righteous. Men do good work as free men, not as slaves. The remedy for unfounded discontent is not the gag, but reason and fair argument, and for righteous discontent not the iron hand of the law but justice and a square deal.

Loyalty can not be compelled. We may always trust the citizen to love and defend the government which deserves to be loved and defended.

Mr. HARDY of Texas. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, an antidumping proposition is not a new one. The Democrats were the first to introduce and to pass an antidumping proposition. I congratulate the Republicans on having followed the Democratic example. The Underwood bill, as reported to the House and as passed by the House, every Democrat voting for it, contained an antidumping provision almost exactly like the provision in this bill, except

that it limited the amount of additional or special duty to 15 per cent—that is, to the difference between the sales price here and the market price in the country from which imported, but in no case to exceed 15 per cent—and provided further that no additional duty should be levied upon any article that already bore a duty of 50 per cent. This bill eliminates the limit. When the Underwood bill went to the Senate, the Senate struck out the antidumping provision.

In the act of 1916, which the Democratic Congress enacted, we have as stringent and as drastic an antidumping proposition as is contained in this bill, but the Tariff Commission thinks that it is not practically workable, that you can not administer it as easily as you can a provision like this. In the act of 1916 it is provided:

SEC. 801. That it shall be unlawful for any person importing or assisting in importing any articles from any foreign country into the United States, commonly and systematically to import, sell, or cause to be imported or sold such articles within the United States at a price substantially less than the actual market value or wholesale price of such articles, at the time of exportation to the United States, in the principal markets of the country of their production, or of other foreign countries to which they are commonly exported, after adding to such market value or wholesale price, freight, duty, and other charges and expenses necessarily incident to the importation and sale thereof in the United States: *Provided*, That such act or acts be done with the intent of destroying or injuring an industry in the United States, or of preventing the establishment of an industry in the United States, or of restraining or monopolizing any part of trade and commerce in such articles in the United States.

If an article is imported at a price substantially less than the price in the markets of the country of production or of other foreign countries to which it is commonly exported, while the act of 1916 does not provide, as this bill does, the levying of an additional duty, it does make it a criminal offense punishable by a fine of not to exceed $5,000 or by imprisonment of not to exceed one year, provided the importer does it with intent to injure or destroy an industry in the United States. The Tariff Commission declare that it is not workable, for the reason that it is almost impossible to show the intent on the part of the importer to injure or destroy business in the United States by such importation and sale.

That is the trouble with this antidumping act of 1916, which is now the law. You have to show the intent of the foreigner, the intent of the importer, to injure or destroy some particular industry in the United States. The business here might be injured, might be destroyed, by such importations and sales as effectively without such intent as with it. The purpose of this bill is to prevent such unfair competition by the importation of articles at a price below that prevailing in the market of the country from which imported by adding a special duty equal to the difference between the imported sale price here and the price or value in the principal markets of the country from which the article is imported.

You must remember that the present tariff act, as well as the Payne Act, the Dingley Act, and other tariff acts, base the ad valorem tariff, not upon the price which the importer pays, not upon the cost to him of the article, but upon the value or price of the article in the principal markets of the country in which it is purchased or from which it is imported. For instance, suppose I purchase an article to be imported here for $10 in Germany or France or Great Britain, and suppose that the value or price for which that article is sold in the principal markets of such country is $15. Under all of the tariff acts, the existing act as well as the others, the ad valorem tariff is based and calculated not upon what it costs me, $10, but upon the $15, the market value or price in such country. This bill provides for the levying of a special duty, in addition to the regular duty under existing law, which shall equal the difference between the import price or cost here and the price or value of the article in the principal markets of the country from which it is exported. For example, if the import price or cost is $10, and the value or price of the article in markets of the country of exportation is $10, the special duty would be $5. This bill, as the present act does, denounces such sales and importations as "unfair competition" with our domestic industries. We Democrats want competition, but we want fair competition. The Democrats favor and have provided a tariff that will prevent by any domestic industry a monopoly at home and also will prevent the foreigner from establishing a monopoly here. We tried to guard against unfair competition by the foreigner by the passage of the act of 1916. We are willing to have foreign goods coming over here in competition with American-made goods, but there must not be such a competition that will destroy the American industry and thus give the foreigner the monopoly. It must be fair competition. We believe that the industries of the United States can stand fair competition. We differ with the Republicans. The Republicans have no confidence in our American industries. They have no confidence in the genius, capacity, and resources of our American manufacturers. They have no confidence in the skill and efficiency of American labor.

They claim that every country on earth can make and sell goods cheaper than we can in the United States; that the foreign manufacturer can ship across the seas, pay freight to the interior, and undersell here our own manufacturers; that the labor of other countries, even the cheap labor of Japan and China, is more efficient than the high-priced skilled labor of America. We Democrats have more confidence in American industry, more confidence in the genius and business capacity of the American manufacturer; we have got more confidence in the efficiency and skill of American labor. Republicans demand a prohibitive tariff to prevent any foreign competition. Democrats favor a competitive tariff, a tariff that will admit fair competition. We have the confidence in American industry that it can stand, that it is able to meet fair competition from every quarter. We are willing, we are anxious, to guard American industry against all unfair competition. This bill does that.

In the Clayton Antitrust Act, which we Democrats passed, we provided against unfair competition among our domestic industries. We made it a criminal offense for a domestic industry to sell in one section of the country or to one purchaser at a different or lower price—excluding the difference in freight—than he sells in another section or to other purchasers for the purpose of lessening or destroying competition or establishing a monopoly. We made such an offense punishable by a fine of $5,000 or imprisonment for one year in the penitentiary, or both. I will read the section:

That it shall be unlawful for any person engaged in commerce in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities, which commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia.

And so forth.

Now, if it be proper and just to protect our domestic industries against unfair competition by other domestic industries, why is it improper and unjust to protect all our domestic industries against the unfair competition of foreign industries?

I will say to the chairman of the committee that while the first section of the bill intends to cover the point raised a few moments ago by the gentleman from Tennessee [Mr. HULL], I am very doubtful if the language is sufficient to clear the matter and express what the committee really intended. Now, the first section reads this way:

That the "special duty" provided for in this act shall be levied upon all articles imported into the United States of a class or kind identical or comparable with a class or kind made or produced in the United States.

And so forth.

That was intended to prevent articles produced abroad from coming into unfair competition with similar articles produced here—produced here in substantial quantities. If there are no similar articles produced here in any substantial quantities, there is no use for this act to apply to such articles imported. Take, for instance, coffee. We produce no coffee here in substantial quantity, though we may produce a few pounds from hothouse plants. We want to get our coffee as cheaply as possible. There can be no "unfair competition," because we produce none with which the foreign coffee competes. We do not care if it sells for 25 cents a pound in Brazil or 25 cents a pound in other countries. It would be to our interest to get it for 5 cents a pound, if we could. Take tea. We have no tea industry here, though I believe a gentleman in South Carolina does produce a few pounds. By this bill we did not intend that such "special duty" should be levied on tea, if it should be imported here cheaper than it sells for in the country of exportation, because some tea, though only a few pounds, was produced here. The language in the bill might be construed by the Secretary of the Treasury to mean that if there were produced here any quantity, however small, of an article similar to the article imported, the special duty shall apply to such imported article.

Mr. TILSON. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. TILSON. Where no article is produced in this country, or substantially none, what would be the economic reason for the foreigner selling in this market at a less price than it is sold in his home market?

Mr. KITCHIN. There would not be any, unless there were two or more foreign countries competing with each other in this market.

For instance, if Japan and China were selling tea in competition here, they might sell for less here than the market price of tea in the respective countries.

Mr. CANNON. Will the gentleman yield?

Mr. KITCHIN. I will yield to the gentleman from Illinois.

Mr. CANNON. We do not desire to destroy competition between Japan and China in tea. We do not produce either. This act would not apply.

Mr. KITCHIN. With the suggested amendment it could not apply.

Mr. GREEN of Iowa. I entirely agree with what the gentleman from North Carolina has said, and I am sure it was not the intention of the committee to apply this language contained in the first paragraph, except where the article was made in substantial quantities in this country. My understanding is that the gentleman has an amendment to propose in that connection.

Mr. KITCHIN. I have an amendment which will carry out exactly what the committee intended.

Mr. GREEN of Iowa. Where does the gentleman propose to offer it?

Mr. KITCHIN. I will offer it on page 5, at the end of and as a part of section 9, something like this:

This section shall not apply to any article the like of which is not produced in substantial quantities in the United States the same to be determined, ascertained, and promulgated by the Secretary of the Treasury.

Mr. GREEN of Iowa. I will say to the gentleman I do not think there will be any objection to an amendment of that kind being inserted somewhere in the bill, but I would like to have the gentleman consider for a moment as to whether it might not be better to insert it in paragraph 7 in the eighth line, after the words "United States"? Section 9 refers back to section 1 for the articles on which the duty is to be laid, and there are two provisions in section 1, or two classes, or two classes made one, and next, the kind identical or comparable with a class or kind made or produced in the United States, or of a kind sold in competition with articles made or produced in the United States in substantial quantities, or something of that kind.

Mr. KITCHIN. I would remind the gentleman that section 9 is the substantial effective section of the bill. It is the section that really levies the additional or special duty. I believe it would be better and clearer to add the amendment to that section. I believe with that amendment every Democrat here can support this measure. It is certainly in keeping with the Democratic position with respect to antidumping propositions. [Applause.]

Mr. YOUNG of North Dakota. Mr. Chairman, the chairman of the committee left the remainder of the time at my disposal, and I would like to be recognized.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. YOUNG of North Dakota. Mr. Chairman, this bill does not propose, as everybody understands——

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. The gentleman had eight minutes and yielded seven of it to the gentleman from Idaho [Mr. FRENCH]. I do not see how he has five minutes left.

The CHAIRMAN. The clerk who keeps the time at the desk as to time extended informs the Chair that a mistake was made in announcing the time, and that the gentleman from Michigan had five minutes instead of one.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the "special duty" provided for in this act shall be levied upon all articles imported into the United States of a class or kind identical or comparable with a class or kind made or produced in the United States, or of a kind sold in competition with articles made or produced in the United States, to be ascertained, determined, and promulgated by the Secretary of the Treasury.

Mr. GREEN of Iowa. Mr. Chairman, I think that this bill is on the whole very well drawn, although it may be possible that, as the gentleman from Tennessee [Mr. HULL] stated, it is somewhat strong in some of its provisions and may need to be modified as suggested by the gentleman from North Carolina [Mr. KITCHIN]. In fact, I am entirely in accord with his amendment, which would simply express the idea that the committee had. Now, for the information of gentlemen upon the floor who have not had an opportunity to carefully study the bill, I would say that section 9, which prescribes the duty to be laid and which embraces the fundamental principles of the bill, refers back to section 1, which has just been read by the Clerk. Gentlemen will understand that the special duty which is to be imposed by this bill applies whether there is a duty now on the article or not, provided it comes under the definition of section 1, which we have just read.

Even if the article be one that comes in free of duty now, the special duty will be imposed if the article imported is sold in this country at less than the price, the fair market value in the home market, and comes in competition with American goods. This is, I think, as it should be, and I think it is quite clear, as the gentleman from North Carolina stated, that the present antidumping provisions contained in the Underwood bill can not be enforced. If this bill were not passed, we would be at the mercy of a country like Germany, and possibly a country like France, which have accumulated a large stock of certain goods which they were unable to sell during the war and which they now desire to get rid of at any price. If they can not sell them at one price, they will doubtless sell at another. Of course, this is particularly applicable in the case of dyes.

There was some discussion raised in the committee over the use of the word "comparable," which is found in section 5, and it was thought possible that it conferred too extensive powers in the direction of excluding goods which might be comparable with those produced in this country. I think that, taken in connection with the last clause of the first section, which provides that these goods shall be ascertained, determined, and promulgated by the Secretary of the Treasury, there is no danger that this provision will be used in such a way as to work an injury to the country when it is simply proposed to sell some article not manufactured in this country for a low price. It is obviously to the interest of this country, where an article does not enter into competition with the things made here, that we should obtain it as cheaply as possible. It is not the intention, therefore, that this bill should operate as against tea, coffee, raw silk, and a long list of other articles which I might mention which are used by our manufacturers.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for two minutes further.

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

There was no objection.

Mr. GREEN of Iowa. It is, of course, highly important that our manufacturers should receive their raw material, not furnished by this country or not products of this country, at as cheap a rate as possible. This bill will not in the least interfere with that.

The substance of the bill, I may say in closing, is embraced in section 9, which provides that where an article produced in foreign countries is sold in this country at a price less than the fair market value at home an additional duty shall be paid, amounting to the difference between the price at which it is sold and the fair market value at home.

Now, there was in the original bill a provision that where this addition was levied no other penalty should be prescribed. That part has been stricken out of the bill, it being thought by the committee that this provision, even when taken with the other provisions in the tariff act as it now stands, would not be too severe to prevent dumping, the effect of which, of course, would be to drive our producers out of the market, whether they were manufacturers or producers of other articles.

The purpose of this bill is the same as the present law, but the present law can not be enforced. It may seem too drastic, but we have found the present statute entirely insufficient. It will be observed, as we proceed with the bill, that provision is made whereby an examination may be made, if necessary, of the books of a foreign manufacturer, and in case permission is refused to exclude his goods from our markets. This provision is new but absolutely necessary if we would control "dumping." In the absence of such a provision it would often be impossible to ascertain whether the foreigner was selling below cost.

Mr. TINKHAM. Mr. Chairman, I move to strike out the last word.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. TINKHAM] may proceed for 10 minutes. He wanted to talk on the subject of sugar, and was allowed time under general debate, but he was crowded out by the yielding of more time to other gentlemen. I hope he will be given unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Michigan [Mr. FORDNEY] asks unanimous consent that the gentleman from Massachusetts [Mr. TINKHAM] may be allowed to proceed for 10 minutes out of order. Is there objection?

There was no objection.

Mr. TINKHAM. Mr. Chairman, the honorable Representative from South Carolina [Mr. BYRNES] on Friday last had printed on page 213 of the CONGRESSIONAL RECORD a statement purported to be a copy of an authorized statement recently issued by the Attorney General in relation to sugar. I desire to read a part of that statement, the essential part, so far as Congress is concerned, and the part I challenge:

A conference has been held this morning between representatives of the Sugar Equalization Board and the Department of Justice, in which the sugar situation was reviewed. The Department of Justice has no

power nor facilities with which to control the purchase or distribution of sugar. The only governmental body having this power is the Sugar Equalization Board, and its control terminates on December 31. The Congress, although requested to do so, has failed to extend the life of the board.

This statement is not only confusing and misleading but it seems to me that it is unqualifiedly false, much as I regret to have to use these harsh characterizations. To prove my assertion I have in my hands a copy of the charter of the United States Sugar Equalization Board, and the sixth section of the charter says:

This corporation is not to have perpetual existence. Its existence is to commence on the 15th day of July, 1918, and is to cease on the 14th day of July, 1923, unless sooner dissolved in the manner provided by law.

The words "in the manner provided by law" means the manner provided by the Delaware corporation laws, as the corporation is a Delaware corporation. So that the Sugar Equalization Board, in accordance with its terms of incorporation, has existence until July 14, 1923, and Congress had no need to extend the life of the board, or could it do so without reincorporating it on superseding the laws of Delaware. Yet the Attorney General says that Congress, although requested to do so, has failed to extend the life of the board.

Mr. Chairman, I desire to offer the charter of incorporation as a part of my remarks.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to insert in the RECORD as a part of his remarks the matter indicated. Is there objection?

Mr. CONNALLY. Reserving the right to object, will the gentleman from Massachusetts yield for a question?

Mr. TINKHAM. I will.

Mr. CONNALLY. In connection with the charter, which the gentleman proposes to incorporate in the RECORD, will he be kind enough to cite the appropriation bill which continues the appropriation for the Sugar Equalization Board over December 31?

Mr. TINKHAM. There has never been an appropriation for the Sugar Equalization Board. There never has been, and it has never been contemplated or necessary. The President gave from his $100,000,000 war emergency fund $5,000,000 to the board for them to do business with, and they have made a profit in excess of $30,000,000 by their transactions.

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

There was no objection.

Following is the matter referred to:

CERTIFICATE OF INCORPORATION OF UNITED STATES SUGAR EQUALIZATION BOARD (INC.).

1. The name of this corporation is United States Sugar Equalization Board (Inc.).

Second. The location of its principal office in the State of Delaware is in the city of Wilmington, county of New Castle. The name of the resident agent therein and in charge thereof is the Delaware Charter Co. The street and number of said principal office and the address by street and number of said resident agent is 900–904 Market Street.

Third. The objects and purposes for which and for any of which this corporation is formed are to do any or all of the things herein set forth to the same extent as natural persons might or could do, viz: To purchase, or otherwise acquire, manufacture, sell or otherwise dispose of, store, handle, and otherwise deal in and with raw and refined cane and beet sugar, sirups, molasses, and other commodities, and to do all acts and things necessary, expedient or incidental to the efficient conduct of said business within or without the State of Delaware.

To exercise all powers which may be delegated to it by the President of the United States.

The foregoing clauses shall be construed both as objects and powers; and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the powers of this corporation.

In general, to have and to exercise all the powers conferred by the laws of Delaware upon corporations formed under the act hereinafter referred to.

Fourth. The total authorized capital stock of this corporation is $5,000,000, divided into 50,000 shares of $100 each.

The amount of capital stock with which this corporation will commence business is the sum of $1,000, being 10 shares of 100 each.

Fifth. The names and places of residence of each of the original subscribers to the capital stock and the number of shares subscribed for by each are as follows:

Name.	Residence.	Number of shares.
George M. Ralph	San Francisco, Calif.	4
Theodore F. Whitmarsh	New York, N. Y.	3
George A. Zabriskie	do	3

Sixth. This corporation is not to have perpetual existence. Its existence is to commence on the 15th day of July, 1918, and is to cease on the 14th day of July, 1923, unless it is sooner dissolved in the manner provided by law.

Seventh. The property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever.

Eighth. The directors of this corporation shall hold office for one year from the date of their election and until their successors are elected and qualified, unless sooner removed. The holder or holders of two-thirds of the outstanding capital stock may call a special meeting of stockholders at any time, upon mailing notice to the other stockholders of the time and place of said meeting, three days prior to said appointed time, which notice may be waived by unanimous consent, or by the presence of all stockholders at said special meeting; and the stockholders present may by a majority vote remove any director or directors from office and elect a successor or successors to hold office for the remainder of the unexpired term.

In furtherance, and not in limitation, of the powers conferred by statute, the board of directors are expressly authorized to make, alter, amend, and rescind the by-laws of this corporation; and to authorize and cause to be executed mortgages and liens upon the personal property of this corporation, and to authorize the borrowing of such sums of money from time to time, and the making and execution of such notes, mortgages, pledges, and liens on the personal property of this corporation, as they may deem advisable.

This corporation reserves the right to amend, alter, change, or repeal any provision contained in this certificate of incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred on stockholders herein are granted subject to this reservation.

We, the undersigned, being each of the original subscribers to the capital stock hereinbefore named for the purpose of forming a corporation to do business both within and without the State of Delaware, and in pursuance of any act of the Legislature of the State of Delaware entitled "An act providing a general corporation law" (approved Mar. 10, 1899), and the acts amendatory thereof and supplemental thereto, do make and file this certificate, hereby declaring and certifying that the facts herein stated are true, and do respectively agree to take the number of shares of stock hereinbefore set forth, and accordingly have hereunto set our hands and seals this —— day of July, 1918.

——— ———. [SEAL.]
——— ———. [SEAL.]
——— ———. [SEAL.]

In presence of—

———.

UNITED STATES OF AMERICA,
District of Columbia, ss:

Be it remembered that this ———, 1918, personally came before me, a notary public for the District of Columbia, parties to the foregoing certificate of incorporation, known to me personally to be such, and severally acknowledge the said certificate to be the act and deed of the signers; respectively, and that the facts therein stated are truly set forth.

Given under my hand and seal of office the day and year aforesaid. [SEAL.]

———, *Notary Public, District of Columbia.*

Mr. MARTIN. Will the gentleman yield?

Mr. TINKHAM. Certainly.

Mr. MARTIN. The sole stockholder of this corporation is the President of the United States?

Mr. TINKHAM. Yes. He not only is the sole stockholder, but directly controlled its entire policy, as the following authentic evidence will show. Last October a subcommittee of the Committee on Agriculture of the Senate held a hearing and during the hearing a copy of the following letter was offered directed to the President of the United States by the Sugar Equalization Board. This may be found upon page 53 of the minutes of the hearing, and is as follows:

AUGUST 14, 1919.

DEAR MR. PRESIDENT: The Sugar Equalization Board is in receipt of a letter under date of July 29 from the Cuban commissioners, tendering to the American Government the Cuban sugar crop for 1920.

We deem it advisable that the Cuban commission should be advised at an early date as to whether our Government proposes to consider this tender. The authority of this board does not extend beyond the purchase and distribution of this year's sugar crop, and we venture to suggest the control of sugar for the coming year must now be determined.

I am inclosing herewith a memorandum setting forth the sugar situation as it exists and such information as we possess concerning the prospects for the coming year and other points for your consideration in advising this board as to the policy you desire to be pursued.

The officers of the board are prepared to furnish you with any further information that you may desire.

UNITED STATES SUGAR EQUALIZATION BOARD (INC.),
———, *President.*

The PRESIDENT OF THE UNITED STATES,
The White House, Washington, D. C.

On page 57 there will be found a copy of the following communication, which was a letter urging the President again to authorize the purchase of the 1920 Cuban sugar crop:

SEPTEMBER 20, 1919.

The PRESIDENT OF THE UNITED STATES,
Washington, D. C.

MY DEAR MR. PRESIDENT: Referring now to my letter to you of the 14th day of August inclosing the report from the board of directors of the United States Sugar Equalization Board (Inc.), and also referring to you a letter from the representatives of the Cuban Government and producers of sugar, in reference to the Cuban crop of raw sugars for the year 1919–20, I desire to respectfully bring to your attention the fact that the time is fast approaching, if it has not arrived, when we will be unable to control the Cuban crop of sugar for the year 1919–20, unless action is taken at once.

I am informed that a considerable tonnage of Cuban sugars of the crop of 1919–20 has already been sold, and it seems entirely probable that the representatives of the Cuban sugar will withdraw their proposition unless some action is taken at once.

May I, therefore, respectfully ask an early determination of the policy which the United States Sugar Equalization Board (Inc.) is to pursue with reference to the matter referred to in my letter of the 14th day of August? I know the pressure you are under, and nothing but imperative necessity could make me add this matter to your burdens.

Very respectfully, GEORGE A. ZABRISKIE, *President.*

On page 55 there is a copy of the memorandum submitted to the President by the board at the time of the first communication, and is as follows:

Conditions are so abnormal and the prospect of securing a regular supply of sugar at a reasonable price for the people of the United States for the year 1920 is so uncertain that the equalization board concludes, from a commercial point of view, that its duty requires it to suggest to the President that, in reply to the communication from the representatives of Cuban producers, negotiations be entered into for the purpose of securing the sugar required for the necessities of the people of the United States for the year 1920 from Cuba under somewhat the same arrangements as the equalization board was able to make with the Cuban commissioners and producers and the refiners in the United States for the year ending December 31, 1919. This suggestion is made entirely from our consideration of the sugar situation from the standpoint of assuring the American people a regular supply at a reasonable price and, of course, is subject to the general policy of the Government as to the advisability of continuing control and regulation of food commodities.

Before making any comment to prove my assertions made at the beginning of my remarks, I want to read to you certain questions and answers found on page 47 of the same hearing.

Mr. MARTIN. Will the gentleman yield?

Mr. TINKHAM. Yes; I will yield to the honorable Representative from Louisiana.

Mr. MARTIN. Will the gentleman be kind enough to state at this point, in justice to the President, that Prof. Taussig, also with the Sugar Equalization Board, filed a minority report?

Mr. TINKHAM. There are seven directors of the equalization board, and Prof. Taussig was one, and he dissented from the proposal to purchase the 1920 Cuban sugar crop.

Mr. MARTIN. That is true.

Mr. TINKHAM. Turning to page 47 of the minutes of the subcommittee hearing, I read the following:

Senator McNARY. Judge, on that point, what I want to develop is this: The President suggested to this Sugar Equalization Board that they should acquire this crop?

Mr. GLASGOW. Yes.

Senator McNARY. Did you have the legal authority to acquire the crop without any authorization from the President?

Mr. GLASGOW. I would not like to answer that. I can say that it would not have been done without that.

Senator McNARY. And would you have the authority to acquire that without action of the President?

Mr. GLASGOW. It would not be done, because, in the first place, the President is the entire stockholder of this concern.

I now want to return to the statement of the Attorney General and then summarize. He said that—

The Department of Justice has neither the power nor the facilities with which to control the purchase or distribution of sugar. The only governmental body having this power is the Sugar Equalization Board, and its control terminates on December 31. The Congress, although requested to do so, has failed to extend the life of the board.

Its control of the 1919 Cuban crop terminated December 31, but it had the power to obtain the 1920 Cuban crop with the assent of the President, as is indicated by the testimony which I have read. Therefore the statement of the Attorney General is not only misleading but false—false, because the Sugar Equalization Board had the right with the assent of the President to purchase, and misleading because the country from his statement would draw the conclusion that Congress was responsible for the situation that exists and not the President.

Had the President done as requested in the two communications received by him from the equalization board, then the price of sugar would have been stabilized and largely controlled in price, as the price of the Cuban crop sets the basic price for all sugar in the United States. There was all the law and facilities necessary to do this thing.

Mr. Chairman, upon the evidence that I have submitted, I feel justified in making my opening statement that the statement of the Attorney General in the particulars I have mentioned was misleading, confusing, and false.

The responsibility for not purchasing the 1920 Cuban crop, thus stabilizing and reducing the price of sugar, is clearly upon the President and not upon the Congress, as the Attorney General would lead the country to believe.

I want now to draw statistically a few conclusions which result from the President not doing as requested by the Sugar Equalization Board. When the first letter was sent to the President the average price of Cuban sugar was 3 cents per pound.

The price of the same sugar now is about 8½ cents per pound, and is constantly rising. The American consumption of sugar is about 4,000,000 tons per annum, and the difference of 2 cents per pound amounts to $180,000,000, which must be paid by the American people over what might have been paid. As the price of Cuban sugar will undoubtedly increase perhaps from 8½ to 10½ or 12½ cents per pound, there will be an additional cost to the American people over what that cost might have been, if the advice of the equalization board had been followed by the President, of $360,000,000 or $540,000,000 for the next year.

Mr. MacGREGOR. Mr. Chairman, I just came in. May I ask if the gentleman has quoted the letter from Mr. Zabriskie to the President?

Mr. TINKHAM. I have read two letters from Mr. Zabriskie to the President, one dated August 14 and the other September 20.

Mr. MARTIN. I hope the gentleman will put in his remarks the memorandum submitted by Prof. Taussig to the President.

Mr. TINKHAM. I am pleased to submit that memorandum at the suggestion of the honorable Representative from Louisiana, but it in no way changes the responsibility of the President for not authorizing the purchase of the 1920 Cuban sugar crop in accordance with the recommendations of the Sugar Equalization Board or removes from him personal liability for the present situation in the American sugar market, both as to the price and scarcity of this necessary of life, and the responsibility of what the American sugar market will be for the next year rests alone upon him for his inaction.

Memorandum of Dr. F. W. Taussig submitted to the President:

MEMORANDUM.

I regret not to be able to reach the same conclusion as the other members of the Sugar Equalization Board. I believe that no negotiation should be entered in with the Cuban producers, and that the regulation and restriction of sugar prices should cease with the close of the present arrangement, December 31.

It is true that the evidence now available points to a shortage of sugar in 1920 and to a possibility of prices in that year as high as those of 1919, or even higher. But no certain conclusions can be reached about the future. Prices of sugar will be affected not only by the incoming supplies but by the general political and monetary conditions of the whole world. The general level of prices in the United States and in other countries may be lower than it is now. Consumption may be reduced by changes in general business conditions or by restrictive measures in importing countries. The present recommendation of the board is that the United States (through the board) should repeat a huge commercial venture, in the hope of protecting consumers and of incurring no loss, but with the clear possibility of having to assume a loss. The operation would involve a guaranty by the Government of extremely high profits to the Cuban sugar planters, and also a virtual guaranty of similar profits to our beet-sugar producers as well as to the planters of Louisiana, Hawaii, and Porto Rico. It would necessarily lead to contracts with the sugar refiners which would guarantee good profits to them also. No doubt in the absence of Government regulation all these producers might make profits higher still; but prediction as to the outcome one way or the other can not be made with any confidence. Business of this kind may be undertaken by the Government under stress of war, but should cease now that we are at peace.

Moreover, the regulation of the price of sugar can not, in my judgment, stand alone. The whole relation of government to industry in time of peace is involved. If the price of sugar is to be specifically controlled, so should that of bread, of meat, of clothing. In the main, we must look for a remedy to the natural development of production and to the return of the entire world to normal financial and economical conditions.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

SEC. 5. That the words "the value to countries other than the United States" wherever used in this act mean the value plus the cost, when not included in such value, of the package and the packing charges at which any merchandise or similar merchandise comparable therewith in value is freely offered for sale for exportation to countries other than the United States in the principal markets or markets of the country of exportation in the ordinary course of trade and in the usual or fair average wholesale quantities that the same kind or class provided for in this act is sold in the United States: *Provided*, That any import duties rebated or not paid by reason of the exportation of such merchandise from the country of production or sale to the country other than the United States shall be added to export price.

Mr. EVANS of Nevada. Mr. Chairman, I move to strike out the last word.

The word "conservation" has a wonderful sound, but when stripped of fancy and exposed for definition has more of applied than actual meaning.

"Conservation" should give way to the word "development." The land or mine has only potential value, requiring work, hard work, upon the part of the pioneer to make of actual value. The pioneer is there, willing and earnest to cultivate the soil. Conservation prevents the achievement, conserving the land, the opportunity, and the necessary work for some future man or condition to arise, while the pioneer is ready now.

Conservation means suspicion of the only man competent to reclaim the land. Encourage the man whose ambition is building the West. Repeal laws obstructive to his progress; his successor may be unwilling and unfitted to successfully carry on the all-important work. Give the pioneer your confidence and recognition.

The man who lives on beans, bacon, and canned goods on a mountainous desert, where a goat would starve, giving his lifetime to develop barren areas where an eastern man would die of homesickness, should be encouraged. You hear doubt from men who are more familiar with cut glass and marble bathtubs, whose greatest hardship is the nerve-racking experience of riding a street car, seeking the "bubble reputation" as protectors of

eminent domain from looters, existent only in the overanxious imagination of men who know exactly nothing of the West and western needs. Conservation means keeping as it is, which would be a state of utter worthlessness to all humankind. Development means bringing into useful purpose and production large areas of desert. You must encourage development by granting title when a reasonable amount of annual work is expended upon vacant Government land. There is no way to make that soil produce except by privation and toil. The people of Nevada are afflicted to the limit with bureau regulations, scores of Government inspectors, collectors, and dictators from Washington traveling through our State imposing impractical methods at our expense, while Nevada seeks only the right to conduct her own affairs, with your approval of the integrity of her legislature to enact laws, encouraging development of worthless lands, and so they will remain worthless, except for one thing—work.

You gentlemen mean to be fair. It is only your lack of information which causes mistrust against the State. Your most progressive laws come from the West. Decide upon a different western policy, instead of creating and trusting bureaus, place your faith in men of the West whose interest and honor are at stake, desiring to best build their beloved section of our country. Their governor and legislators deserve your complete trust.

Some months ago this Congress passed a measure the object of which was to encourage development of water upon arid Nevada lands. The legislation was experimental, but has proven a great stimulus to entries upon barren lands; much money will be expended to demonstrate an underground flow of water. That legislation aids progress in Nevada, reflecting credit upon your judgment.

Let us draw a homely example of the man whom you all know, who looked forward to the twenty-first year of his life as the period when he would be his own boss and could act without parental interference, always in his mind the idea of doing right with others. A boy of 21 is entitled to live his own life; the need is recognition of his maturity. Nevada has been 21 years old since 1885, eager for her opportunity. Held back by laws made by men who never saw the State; laws made by other men who rode across that which was to them, from a Pullman car, a forbidding desert, coming back to their eastern homes of culture convinced that what they saw must remain as it is.

Conservation is defined as "the act of conserving" or "keeping as it is," therefore your law of conservation means prevention of work necessary to reclaim the desert.

Nevada, being of age, demands that she be given the state of depending upon herself. Knowing as he does the peculiar needs of our desert country, the pioneer is the logical expert upon whom you must rely for light upon the best plan of operation. Remove collectors, experts, and instructors; depend upon the integrity of our citizens to build a commonwealth of which all will be proud, builded upon the foundation of industry and reason.

Nevada, as a State, was born during the agony of civil war, when her production of gold and silver bullion as a horn of plenty poured at Lincoln's feet that all men may be free. If wrong to dominate an individual, it is wholesale wrong to refuse full freedom to a State whose citizens demand recognition of their indomitable Americanism and self-reliance.

The Clerk read as follows:

SEC. 6. That the term "cost of production" wherever used in this act means the cost of labor and material of the merchandise exported to the United States at the time of production plus the actual general expenses and a profit which is usually and ordinarily added to the cost of labor, material, packing charges, and general expenses by manufacturers in the country of production of merchandise similar in material and production or manufacture.

Mr. WALSH. I move to strike out the last word. I should like to ask the gentleman from Michigan what the term "general expenses" covers in line 11 of this section? Has that been defined in any previous legislation?

Mr. FORDNEY. There was a provision in the bill that was stricken out by the committee to provide salaries for men employed by the Secretary of the Treasury for the investigation of importations at lower prices than those provided for. It was thought wise by the committee to strike that out, because it fixed salaries and per diem expenses, and to leave it to the Secretary of the Treasury to fix those items under the general law. These general expenses might cover a great many things, clerks and office work, and so forth.

Mr. WALSH. Under the phraseology in section 6 salaries can be computed as general expenses, can they not?

Mr. FORDNEY. Such salaries as under existing law the Secretary of the Treasury is permitted to pay.

Mr. TREADWAY. Is not the gentleman from Michigan referring to the general expenses as a part of the expense of the Government, whereas the inquiry of the gentleman from Massachusetts has to do with the expenses of the manufacturer?

Mr. FORDNEY. Oh, I did not understand that. That is an entirely different matter.

Mr. WALSH. What does the term "general expenses by the manufacturer" cover?

Mr. FORDNEY. First of all, the manner of determining the cost of production would be the labor cost, the general expenses, overhead, taxes, depreciation, packing, packing boxes, and all other costs that go to make up the total cost of the article when ready for export. That must be determined by finding the actual cost of the article, where the price can not be obtained, in the country where it is made. We must get the cost of production that would cover any expenses that went in to make up the total cost of production.

Mr. WALSH (reading from the bill)—

plus the actual general expenses and a profit which is usually and ordinarily added to the cost of labor, material, packing charges, and general expenses by manufacturers in the country of production of merchandise similar in material and production or manufacture.

That would include depreciation, salary, overhead expenses, taxes, insurance——

Mr. FORDNEY. Prorated; yes.

The Clerk read as follows:

SEC. 9. That whenever merchandise, whether dutiable or free, is exported to the United States of the class or kind provided for in this act, and the sales price is less than the foreign home value, or in the absence of such value is less than the value to countries other than the United States, or in the absence of such value is less than the cost of production, there shall be levied and collected, in addition to the duties on imported merchandise prescribed by law, a special duty in an amount equal to the difference between the sales price and the foreign home value or the value to countries other than the United States or the cost of production, as the case may be.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 5, line 23, at the end of the line add the following: "This section shall not apply to any article imported the like of which is not produced in substantial quantities in the United States, the same to be ascertained, determined, and promulgated by the Secretary of the Treasury."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 17. That if any person importing merchandise into the United States shall fail, at the request of the Secretary of the Treasury, or an appraiser, or person acting as such, or a collector of customs, as the case may be, to secure permission for a duly accredited officer of the United States to inspect any or all books, records, accounts, documents, or other papers pertaining to the value or classification of such merchandise, of the person selling, shipping, or consigning the merchandise to the United States, then the Secretary of the Treasury shall, while such failure or refusal continues, prohibit future importations into the United States of merchandise from such seller, shipper, or consignor by any importer.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman if the authority conferred by the bill would authorize an agent of the Treasury Department to go into a factory or shop of a manufacturer in a foreign country and investigate the books.

Mr. FORDNEY. The bill gives authority to the Secretary of the Treasury to make such a request by the proper representative. If the foreigner refuses it is obligatory on the Secretary to forbid the importation of those goods until such consent is given.

Mr. BANKHEAD. Does not the gentleman assume that other countries might adopt similar measures?

Mr. FORDNEY. They do it now.

Mr. BANKHEAD. Does not the gentleman think that American business men and manufacturers would resent the intrusion and inspection of their business affairs by an agent of a foreign government?

Mr. FORDNEY. No; they submit to it. If I had the time, I could give illustrations where Canada has sent agents to this country and demanded the right to examine the manufacturer's books, and on failure to permit that examination the goods which were shipped to Canada were ordered out of Canada.

Mr. BANKHEAD. I rather anticipate if that situation arises you will hear considerable complaint from American business men.

Mr. FORDNEY. No; I think the practice carried on by the Government in Canada to-day in that respect against our people who wish to dump on Canada goods at a less price than they are sold for here has been tested in many instances and works satisfactorily and is accepted by our people.

Mr. BANKHEAD. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 18. That if any person engaged in the importation of merchandise into the United States or engaged in dealing in such imported merchandise shall fail or refuse to submit for inspection of a duly accredited investigating officer of the United States upon request so to do from the collector or the appraiser, or the person acting as such, or any other officer of the United States customs duly authorized by law, any or all of his books or records, accounts, documents, or other papers pertaining to the value or classification of any such imported merchandise, then the Secretary of the Treasury, while such failure or refusal continues, shall prohibit the future importations of any merchandise into the United States by or for the persons so refusing.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman how many junketing trips will this afford agents to foreign countries?

Mr. FORDNEY. Just as many as the foreigner attempts to impose upon our people the sale of goods at a less price than he sells them at home for the purpose of destroying the industry in the United States. Just that many times we can look for a representative from our Government to go abroad.

Mr. BLANTON. There will be hundreds of merchants shipping goods to this country.

Mr. FORDNEY. Yes.

Mr. BLANTON. Will our Secretary wait until he has reason to believe that they are imposing on this country, or will he annually send men abroad to examine the books and accounts of these manufacturers?

Mr. FORDNEY. No; our board of appraisers are looked upon as the only authority to notify the Secretary of the Treasury that such action has been taken. Upon a proper showing the Secretary of the Treasury will send an agent abroad to examine the books and hold up the goods until the information is obtained.

Mr. BLANTON. The chairman does know that with very little excuse sometimes representatives are sent across the water to look after this or that on behalf of this Government.

Mr. FORDNEY. Oh, yes.

Mr. BLANTON. For instance, I might call attention to the fact that our Employment Service here spent $[illegible] sending two men across apparently to look after the reemployment of our men even before they got out of the Army. Such things appear to me to be ridiculous.

Mr. FORDNEY. They do to me also. I agree with the gentleman.

Mr. BLANTON. Should there not be some limitation, at least, placed upon these annual, semiannual, or monthly junketing trips across the water?

Mr. FORDNEY. The bill does place a limitation by providing that information must be furnished to the Secretary of the Treasury before such investigation is made through his office by the Board of Appraisers.

Mr. BLANTON. The Secretary of the Treasury, I presume, would send fewer than any other department.

Mr. FORDNEY. I assume that he would not send anybody for the purpose of a junketing trip.

Mr. BLANTON. The gentleman can not deny that there have been trips across the water that smacked of junketing.

Mr. FORDNEY. Not by men sent by the Secretary of the Treasury. The gentleman may apply that to the Secretary of Labor.

Mr. BLANTON. I could refer to instances closer home.

Mr. KITCHIN. Perhaps the gentleman refers to the Shipping Board investigation.

Mr. BLANTON. And the investigation of the expenditures in the War Department.

The Clerk concluded the reading of the bill.

Mr. FORDNEY. Mr. Chairman, I move that the committee do now rise and report the bill with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The CHAIRMAN. The question is on the motion of the gentleman from Michigan, who moves that the committee do now rise and report the bill with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The question was taken.

Mr. BLANTON. Mr. Chairman, on that motion I demand a division.

The committee divided; and there were—ayes [illegible], noes 0.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MANN of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10918, the antidumping bill, and had directed him to report the same back with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. FORDNEY. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question now is on the engrossment and third reading of the bill.

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

On motion of Mr. FORDNEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVES OF ABSENCE.

By unanimous consent leave of absence was granted as follows:

To Mr. MOORE of Virginia, indefinitely, on account of sickness.

To Mr. FLOOD, indefinitely, on account of sickness.

To Mr. WATSON of Virginia, indefinitely, on account of sickness.

To Mr. THOMPSON, for the month of December (at the request of Mr. MURPHY), on account of serious illness in his family.

EXTENSION OF REMARKS.

By unanimous consent, leave was granted to extend their remarks in the RECORD on the bill to Mr. FORDNEY, Mr. TREADWAY, Mr. HERSEY, and Mr. GREEN of Iowa.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a brief letter addressed to Dr. Couden, our esteemed Chaplain, complimentary of his distinguished services in the House.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

The following is the letter referred to:

UNITED STATES NAVAL STATION,
OFFICE OF THE CHAPLAIN,
Tutuila, Samoa, November 17, 1919.

Rev. HENRY N. COUDEN, D. D.,
Chaplain to the House of Representatives, Washington, D. C.

MY DEAR SIR: Recently I saw a copy of the prayers offered by you before the Sixty-second Congress. I was greatly impressed by them and am desirous of having a copy for my library.

I am informed that they can not be purchased through the superintendent of documents and am therefore writing you if by some means you may be able to forward a copy to me. Sincerely thanking you for your kindness and appreciating any effort in my behalf, I am,

Very faithfully, yours,

HERBERT DUMSTREY,
Lieutenant (junior grade), Chaplain Corps,
United States Navy.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2377. An act to amend section 1 of the act approved July 17, 1916, known as the Federal farm-loan act, so as to provide for the payment of the expenses of the Federal Farm Loan Board and employees by the Federal land banks and joint-stock land banks; to the Committee on Banking and Currency.

S. 806. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in claims of the Iowa Tribe of Indians against the United States; to the Committee on Indian Affairs.

ADJOURNMENT.

Mr. FORDNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 10, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting statement of the public-health activities of the Public Health Service (H. Doc. No. 486); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Assistant Secretary of Labor, transmitting detailed statement of the number of documents received and the number distributed by the Department of Labor during the fiscal year 1919 (H. Doc. No. 487); to the Committee on Expenditures in the Department of Labor and ordered to be printed.

3. A letter from the Acting Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Justice to provide salary increases for the fiscal year 1921 (H. Doc. No. 488); to the Committee on Appropriations and ordered to be printed.

committee of wages and working conditions and three regional boards of adjustment. The Interstate Commerce Committee recognizes the right of the railroad companies and their employees to settle their disputes by present known methods of conciliation, mediation, or arbitration, or by any other method they can agree upon. It is only when all these means fail that the machinery of the Cummins bill is to be set in motion.

"The committee of wages and working conditions is composed of eight members—four to represent labor and four to represent the carriers. This committee is selected by the transportation board of five members appointed by the President. The employee members of the committee are chosen by the transportation board from nominations made by the railway craftsmen. The four members representing the carriers are selected in like manner by this board from nominations made by the carriers themselves. This committee has jurisdiction over controversies respecting wages and working conditions and to hear appeals from regional boards where those boards are evenly divided and unable to reach a decision by a majority vote. It is likewise empowered to interpret its findings and to make rules and regulations for its procedure, including the procedure on appeal cases from the regional boards of adjustment, and is required to consider and decide all complaints respecting wages and working conditions as promptly as practicable. This committee on wages and working conditions considers all complaints. Its decisions are subject to approval by the transportation board. If the committee is evenly divided the subject of the dispute shall be referred to the board, whose decision shall be final.

"The regional boards of adjustment, three in number, shall be empowered to hear and determine all complaints, grievances, matters, and disputes, including questions of discipline and controversies arising in ordinary railway operations, other than controversies relating to wages and working conditions.

"What plan could be fairer?

"Which is of the more importance, the uninterrupted movement of commerce or a commerce which is subject to paralysis at any time there is a quarrel between the railroad managers and the chiefs of the brotherhoods?

"It would be wrong to deny the right to strike or to lockout if a tribunal were not provided to which should be submitted the subject matter of dispute.

"We simply say to these men, 'Settle your differences in any way you can, and we hope you can settle them; but if you are not able to agree then the welfare of the public requires you to submit your evidence to the different tribunals we have created for investigation and decision.'

"I submit that if the railway brotherhoods are not willing to trust fair tribunals to decide their controversies the people of the United States can not, in the interests of safety, trust their commerce to men who will not trust them.

"The Cummins bill makes carriers and officers liable to a fine not exceeding $500, or imprisonment not exceeding six months, or both, if they knowingly refuse to obey the decision of the committee on wages and working conditions, when approved by the board, or of the board in cases referred to it.

"The bill also provides that it shall be unlawful for two or more persons, whether they are officers, directors, managers, agents, attorneys, or employees of any carrier, to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement and with like purpose substantially to hinder, restrain or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce; and the violation of this section is punishable by a fine not exceeding $500 or imprisonment not exceeding six months, or both.

"It is expressly provided that nothing in the act shall deny to any individual the right to quit his employment for any reason.

"Likewise it penalizes anyone who with like intent aids, abets, counsels, commands, induces, or procures the commission or performance of any of the acts declared to be unlawful by the provisions which I have heretofore referred to.

"The cause of good government, the welfare of the people, require these disputes to be settled or decided by a public tribunal without the interruption of the country's business; and I am satisfied if this system is tried out it will be approved by the railway men themselves.

"This is not denying the principle of collective bargaining. I believe in collective bargaining. But I would add a corollary: Collective bargaining does not mean collective dictation, whether by capital or by labor. The public alone can dictate. No individual or class has a right to dictate to the public.

"The Government at Washington lives, and it says to all elements of society, 'You shall be free to work out your own salvation so long, and so long only, as you do not unduly interfere with the rights and privileges of your fellow men.'

"There must be no supermen and no superclasses in America. All must be equal before the law. All must do unto others as they would be done by."

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed the following acts:

On December 10, 1919:

S. 2961. An act authorizing the Chincoteague Toll Road & Bridge Co. (Inc.), a corporation created by and existing under the laws of the Commonwealth of Virginia, to construct certain bridges to connect Chincoteague Island and the mainland.

On December 11, 1919:

S. 183. An act providing for additional time for the payment of purchase money under homestead entries of lands within the former Fort Peck Indian Reservation, Mont.; and

S. 2129. An act to amend an act approved March 26, 1908, entitled "An act to provide for the repayment of certain commissions, excess payments, and purchase moneys paid under the public-land laws."

ANNUAL REPORT OF THE PANAMA CANAL.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Interoceanic Canals and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the annual report of the governor of the Panama Canal for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE, *11 December, 1919.*

NATIONAL PROHIBITION (S. DOC. NO. 109).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, ordered to lie on the table and be printed:

To the Senate of the United States:

I transmit herewith a report from the Secretary of State, with an accompanying paper, in response to a resolution of the Senate requesting him to furnish that body with a statement showing the States which have ratified the eighteenth amendment to the Federal Constitution and the dates of such ratifications according to official documents on file in the Department of State.

WOODROW WILSON.

THE WHITE HOUSE, *11 December, 1919.*

HOUSE BILLS AND JOINT RESOLUTION REFERRED.

The following bill and joint resolution were each read twice by their titles and referred to the Committee on Public Lands:

H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes; and

H. J. Res. 20. Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry.

H. R. 10918. An act to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, was read twice by its title and referred to the Committee on Finance.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. SPENCER. I offer an amendment to the pending bill and ask that it be printed and lie on the table.

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

Mr. KENYON. I submit an amendment to the pending bill, which I ask may be printed and lie on the table.

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

Mr. LA FOLLETTE resumed the speech begun by him on Tuesday. After having spoken for two hours,

Mr. KING. I think the Senator from Tennessee [Mr. McKELLAR] would like to submit a few observations this after-

and large responsibilities, upon the countries of the world, upon the kingdom of Jesus Christ as it enters into and pervades all these institutions. And this, our petition, we make in His name. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

PRESIDENT PRO TEMPORE,
Washington, D. C., April 8, 1920.

To the SENATE:

Being temporarily absent from the Senate, I appoint Hon. JAMES E. WATSON, a Senator from the State of Indiana, to perform the duties of the Chair during my absence.

ALBERT B. CUMMINS,
President pro tempore.

Mr. WATSON thereupon took the chair as Presiding Officer for the day.

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

CALLING THE ROLL.

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

The PRESIDING OFFICER. The Clerk will call the roll.

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

Beckham	Gerry	McCumber	Sheppard
Capper	Glass	McLean	Simmons
Colt	Harris	Myers	Smith, Ariz.
Comer	Harrison	New	Smoot
Culberson	Henderson	Nugent	Spencer
Curtis	Kellogg	Page	Sutherland
Dillingham	Kendrick	Phipps	Thomas
Elkins	Kirby	Poindexter	Wadsworth
Frelinghuysen	Lodge	Pomerene	Warren
Gay	McCormick	Ransdell	Watson

The PRESIDING OFFICER. Forty Senators have responded to their names. There is not a quorum present. The Clerk will call the list of absentees.

The Reading Clerk called the names of the absent Senators, and Mr. CHAMBERLAIN, Mr. JONES of Washington, Mr. LENROOT, Mr. MCKELLAR, Mr. MCNARY, Mr. NELSON, and Mr. STERLING answered to their names when called.

Mr. GRONNA, Mr. CALDER, Mr. KENYON, Mr. HITCHCOCK, and Mr. BORAH entered the Chamber and answered to their names.

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent owing to illness. I ask that this announcement may stand for the day.

Mr. CURTIS. I have been requested to announce that the Senator from Nebraska [Mr. NORRIS] and the Senator from Pennsylvania [Mr. KNOX] are detained on official business.

I wish also to announce that the Senator from Maryland [Mr. FRANCE] is necessarily absent, and that the Senator from Maine [Mr. HALE], the Senator from New Hampshire [Mr. KEYES], the Senator from Delaware [Mr. BAYARD], the Senator from Florida [Mr. TRAMMELL], and the Senator from Nevada [Mr. PITTMAN] are absent in attendance at a committee meeting.

Mr. GERRY. The Senator from Arizona [Mr. ASHURST], the Senator from California [Mr. PHELAN], the Senator from Virginia [Mr. SWANSON], and the Senator from Maryland [Mr. SMITH] are absent on official business.

Mr. SIMMONS. I wish to announce that my colleague [Mr. OVERMAN] is unavoidably detained from the Senate, and that the Senator from South Carolina [Mr. SMITH] is absent on account of illness in his family.

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 8038) to amend section 4 of the act approved July 17, 1916, known as the Federal farm-loan act, extending its provisions to Porto Rico, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the President pro tempore:

H. R. 202. An act to authorize the Secretary of the Interior to issue patent in fee simple to the county of Huron, in the State of Michigan, for a certain described tract of land for public-park purposes;

H. R. 1275. An act for the relief of W. L. Rose;

H. R. 1791. An act for the relief of O. W. Lindsley;

H. R. 3211. An act for the relief of Emma J. Spear;

H. R. 5213. An act for the relief of occupants and claimants of unsurveyed public land in township 8 north of range 2 west of Salt Lake meridian, Utah;

H. R. 6136. An act authorizing the Secretary of the Interior to sell certain lands to school district No. 21, of Fremont County, Wyo.;

H. R. 6291. An act for the relief of E. Willard;

H. R. 6413. An act granting the sum of $549.12 to Clara Kane, dependent parent, by reason of the death of William A. Yenser, late civil employee, killed as a result of an accident at the Philadelphia Navy Yard;

H. R. 6772. An act authorizing and directing the transfer approximately of 10 acres of land to rural high-school district No. 1, Lapwai, Idaho;

H. R. 6773. An act for the relief of Albert C. Burgess;

H. R. 10207. An act providing for service of process in causes removed from a State or other court to a United States court;

H. R. 12711. An act to amend the act approved December 23, 1913, known as the Federal reserve act; and

H. J. Res. 222. Joint resolution authorizing the Secretary of War to dispose of surplus dental outfits.

PETITIONS AND MEMORIALS.

Mr. LODGE. I present resolutions adopted by the Legislature of the Commonwealth of Massachusetts favoring the repeal of restrictions on the freedom of speech, freedom of the press, and the right of free assemblage. I ask that the resolutions be printed in the RECORD and referred to the Committee on the Judiciary.

There being no objection, the resolutions were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS, 1920.

Resolutions favoring the repeal of restrictions on the freedom of speech, freedom of the press, and the right of free assemblage.

Resolved, That in view of the ratification of the peace treaty by a majority of the allied countries and the virtual ending of the Great War, so happily consummated, the General Court of Massachusetts declares its belief that the time has now come for the repeal and removal of all restrictions imposed for the duration of the war on the freedom of speech, the freedom of the press, and the right of the people peaceably to assemble.

Resolved, That the secretary of the Commonwealth be instructed to transmit copies of the foregoing resolution to the President of the United States, to the members of his Cabinet, and to the Senators and Representatives in Congress from Massachusetts.

In senate adopted March 3, 1920.

In house of representatives adopted in concurrence March 8, 1920.

A true copy. Attest:

ALBERT P. LANGLEY,
Secretary of the Commonwealth.

Mr. TOWNSEND presented a petition of the Label Manufacturers' National Association, of Cleveland, Ohio, and a petition of the Folding Box Manufacturers' National Association, of Cleveland, Ohio, praying for the enactment of legislation providing that the excess-profits tax be abandoned and a flat tax on sales be substituted therefor, which were referred to the Committee on Finance.

REPORTS OF COMMITTEE ON FINANCE.

Mr. MCCUMBER, from the Committee on Finance, to which was referred the bill (H. R. 12260) to amend section 600 of the act approved September 8, 1916, entitled "An act to increase the revenue, and for other purposes," reported it without amendment and submitted a report (No. 509) thereon.

Mr. SMOOT, from the Committee on Finance, to which was referred the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, reported it with an amendment and submitted a report (No. 510) thereon.

BUREAU OF WAR RISK INSURANCE.

Mr. SMOOT. From the Committee on Finance I report back favorably without amendment the joint resolution (S. J. Res. 189) authorizing and directing the accounting officers of the Treasury to allow credit to the disbursing clerk of the Bureau of War Risk Insurance in certain cases, and I ask for its immediate consideration.

The PRESIDING OFFICER. The Senator from Utah asks for the immediate consideration of the joint resolution just reported by him, which will be read.

The joint resolution was read, as follows:

Resolved, etc., That for such reasonable time as may be fixed by the Secretary of the Treasury, but not extending beyond the fiscal year ending June 30, 1921, the accounting officers of the Treasury are hereby authorized and directed to allow credit in the accounts of the disbursing clerk of the Bureau of War Risk Insurance for all payments of insurance installments heretofore or hereafter made under the provisions of Article IV of the war-risk insurance act in advance of the verification of the deduction on the pay rolls, or of the payment otherwise, of all premiums.

S. 2442. An act authorizing and directing the Secretary of the Interior to convey to the trustees of the Yankton Agency Presbyterian Church, by patent in fee, certain land within the Yankton Indian Reservation.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented a petition of sundry citizens of New Haven and Danbury, in the State of Connecticut, praying for the enactment of legislation to incorporate the International Association of Rotary Clubs, which was referred to the Committee on the Judiciary.

He also presented a memorial of the Connecticut Bankers' Association, of Hartford, Conn., remonstrating against the enactment of legislation permitting banks to make an exchange charge of 10 cents per $100 or fraction on checks drawn on themselves presented through the Federal reserve banks, which was referred to the Committee on Banking and Currency.

He also presented a petition of the United Irish Societies of Bridgeport, Conn., and a petition of the Ancient Order of Hibernians of America, of Willimantic, Conn., praying for the freedom of Ireland, which were referred to the Committee on Foreign Relations.

He also presented a petition of Local Union No. 123, American Flint Glass Workers, of Waterbury, Conn., praying for the protection of the glass industry, which was referred to the Committee on Finance.

He also presented a petition of Allan M. Osborn Camp, No. 1, United Spanish War Veterans, of New Haven, Conn., praying for the enactment of legislation granting pensions to Spanish War Veterans, which was ordered to lie on the table.

He also presented a petition of Mather Post, No. 25, Grand Army of the Republic, Department of Connecticut, of Deep River, Conn., praying for the enactment of legislation granting pensions to soldiers of the Civil War and their widows, which was ordered to lie on the table.

He also presented a memorial of the Chamber of Commerce of Hartford, Conn., remonstrating against any change in the present standards of weights and measures, which was referred to the Committee on Standards, Weights, and Measures.

He also presented a petition of the Chamber of Commerce of East Hartford, Conn., and a petition of the Employers' Association of Hartford County, Conn., praying for an increase in the salaries of postal employees, which were ordered to lie on the table.

He also presented petitions of the Kiwanis Club, the Business Men's Association, the Chamber of Commerce, and the Bridgeport Screw Co., all of Bridgeport; of the Chamber of Commerce of Middletown; and of sundry employees of the D. M. Reed Co., of Bridgeport, all in the State of Connecticut, praying for the enactment of a daylight-saving law, which were referred to the Committee on Interstate Commerce.

He also presented a memorial of the Fairfield County Farm Bureau, of Danbury, Conn., remonstrating against the enactment of a daylight-saving law, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the Connecticut State Retail Jewelers' Association, praying for the repeal of the excise tax on jewelry, which was referred to the Committee on Finance.

He also presented a petition of Excelsior Lodge, International Association of Machinists, of Derby, Conn., praying for the repeal of the espionage law, which was referred to the Committee on the Judiciary.

He also presented petitions of Newton S. Manross Post, No. 57, Grand Army of the Republic, Department of Connecticut, of Forrestville; of Nathanial Lyon Post, No. 5, Grand Army of the Republic, Department of Connecticut, of Hartford; and of Robert O. Tyler Post, No. 50, Grand Army of the Republic, Department of Connecticut, of Hartford, all in the State of Connecticut, praying for the enactment of legislation granting pensions to Civil War veterans and their widows, which were ordered to lie on the table.

He also presented memorials of the Foreign Legions of New Haven, Hartford, Derby, Meriden, and Middletown, all in the State of Connecticut, remonstrating against the granting of a bonus to ex-service men with the exception of those who are disabled and the dependents of soldiers killed in the war with Germany, which were referred to the Committee on Military Affairs.

DEFICIENCY APPROPRIATIONS.

Mr. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes. I give notice that I shall take an early opportunity to call up the bill for consideration.

The VICE PRESIDENT. The bill will be placed on the calendar.

DUTIES ON IMPORTS.

Mr. THOMAS. I present the views of the minority—Report No. 510, part 2—on the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes. The report bears the signature of the Senator from Idaho [Mr. NUGENT] and myself, and I ask that it be received and printed.

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

REPORTS OF COMMITTEE ON INDIAN AFFAIRS.

Mr. CURTIS, from the Committee on Indian Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

A bill (S. 1521) authorizing the Cowlitz Tribe of Indians residing in the State of Washington to submit claims to the Court of Claims (Rept. No. 532); and

A bill (S. 3716) conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership and right of possession of the Yankton Tribe of Indians to the Red Pipestone Quarries, S. Dak. (Rept. No. 533).

Mr. CURTIS, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 3164) authorizing the Northern Arapahoe Tribe and the Northern Cheyenne Tribe of Indians to submit claims to the Court of Claims (Rept. No. 534);

A bill (S. 3307) authorizing the Ottawa and Chippewa Tribes of Indians of Michigan to submit claims to the Court of Claims (Rept. No. 535);

A bill (S. 4046) to cancel an allotment made to Mary Crane, deceased, embracing lands on the Winnebago Reservation in Nebraska (Rept. No. 536);

A bill (S. 4047) authorizing and directing the Secretary of the Interior to make an allotment to Pessa, a member of the Comanche Tribe of Indians in Oklahoma (Rept. No. 537);

A bill (H. R. 9615) authorizing the Secretary of the Interior to correct an error in an Indian allotment (Rept. No. 538); and

A bill (H. R. 13139) for the sale of isolated tracts in the former Fort Berthold Indian Reservation, N. Dak. (Rept. No. 539).

Mr. CURTIS, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally with amendments and submitted reports thereon:

A bill (S. 192) authorizing the Crow Tribe of Indians, residing in the State of Montana, to submit claims to the Court of Claims (Rept. No. 540);

A bill (S. 804) authorizing the Ponca Tribe of Indians, residing in the States of Oklahoma and Nebraska, to submit claims to the Court of Claims (Rept. No. 541);

A bill (S. 1023) for the relief of certain nations or tribes of Indians in Montana (Rept. No. 542);

A bill (S. 2298) for the relief of the Flathead Nation of Indians (Rept. No. 543); and

A bill (S. 2800) authorizing the Coos Bay, Umpqua, and Siuslaw Tribes of Indians, in the State of Oregon, to submit claims to the Court of Claims (Rept. No. 544).

ACTIVITIES OF FOURTH ASSISTANT POSTMASTER GENERAL.

Mr. KING. If I may have the attention of the Senator from Michigan [Mr. TOWNSEND] I should like to inquire whether he has reported from the Committee on Post Offices and Post Roads the resolution to which he called my attention yesterday?

Mr. TOWNSEND. I am obliged to the Senator for referring to the matter. I ask the privilege of making that report now. From the Committee on Post Offices and Post Roads, to which was referred the resolution (S. Res. 309) directing the Postmaster General to furnish information in regard to alleged circularization of agriculturists in the United States, I report it without amendment.

Mr. KING. I ask unanimous consent for the present consideration of the resolution.

The VICE PRESIDENT. Is there any objection?

Mr. JONES of Washington. I ask that the resolution may be read.

The resolution (S. Res. 309) was read, as follows:

Whereas it has been reported that the Fourth Assistant Postmaster General has circularized hundreds of thousands of agriculturists in the United States, and submitted questionnaires to them relating to divers subjects: Therefore be it

Resolved, That the Postmaster General be, and he is hereby, directed to inform the Senate what authority said Fourth Assistant Postmaster General had for his said action and what appropriation had theretofore been made to cover the expenses of such proceedings upon his part.

gaged in the manufacture of paper are charging too high a price for the product, but my information is that they are. For my part, I would like to see paper placed upon the free list, so that we may bring into the United States as much paper as we possibly can for the imperative needs of the public. I regret that this bill does not go a little further.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PREVENTION OF UNFAIR FOREIGN COMPETITION.

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the bill H. R. 10918, an act to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes. This is the antidumping bill. The bill was reported from the Committee on Finance, and the object of the bill is to prohibit the dumping of goods in the United States at a price less than the prices for which they are sold in foreign countries.

The immediate need of the bill, however, Mr. President, is to prevent the dumping into the United States of airships which have been purchased from England, some ten thousand of them, some of which are on the way now. I understand they were purchased of the English Government by a concern which is advertising them for sale from one end of this country to the other, and not only in this country, but in all parts of the world. There are 10,000 planes; there are engines for nearly 30,000; and if they are dumped into this country under present conditions we might just as well abandon the making of American planes until they are all disposed of.

If there is any objection to the present consideration of the bill, or if it is going to lead to any discussion, I will not take the time of the Senate, because I know the Senator from Washington [Mr. JONES] desires to bring up the river and harbor appropriation bill.

Mr. KING. I think I shall object to the present consideration of the bill. I should like to have an opportunity to investigate it.

Mr. SMOOT. Then I withdraw the request.

RIVER AND HARBOR APPROPRIATIONS.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 11892, the river and harbor appropriation bill. It is doubtful if a quorum could be obtained if a quorum call were made at any time to-day. So it is my purpose to proceed with the consideration of the bill and have adopted such amendments of the committee as can be adopted without any special objection, and any provision which any Senator desires passed over there will be consent given for that purpose.

Mr. KING. I did not hear fully the Senator's statement. Is this the first consideration of the bill?

Mr. JONES of Washington. We have proceeded a part of the way with the bill. Some amendments have been passed over.

Mr. KING. Does the Senator expect to have the bill passed to-day?

Mr. JONES of Washington. No. As I said, I expect to have the Senate proceed with the consideration of the bill, and any provision that any Senator desires to have passed over will be passed over, and any provision for the consideration of which any Senator would like to have a quorum will be passed over. So my only hope to-day is that amendments to which there is no special objection can be adopted, and then when we get the bill up again we will know what particular propositions are at issue.

Mr. KING. I have been absent for several days. I would like to have the attention of the junior Senator from Iowa [Mr. KENYON]. If the request of the Senator from Washington has his approval I will be very glad to accede to it.

Mr. KENYON. I will say to the Senator that the bill has been under discussion here during his absence. There was one provision at least to raise the amount appropriated under the bill from 12 million to 20, which has gone over. So there will be no vote on that amendment to-day.

Mr. SMOOT. I do not think it would take very long for the Secretary to read the amendments which have been reported by the committee. I understand the Senator from Washington to state that that is all he desires at this time.

Mr. JONES of Washington. I shall not try to have any action taken on any provision to which any Senator objects and asks to have go over.

Mr. KING. I make no objection to the Senator's request.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11892) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The PRESIDING OFFICER. The pending amendment is the amendment of the Senator from Utah [Mr. SMOOT] to the amendment of the committee on page 7, to strike out lines 21, 22, and 23.

VALUE OF COTTON CONTRACTS.

Mr. COMER. Mr. President, I hold in my hand a copy of the CONGRESSIONAL RECORD of April 15, and in it there appears this item from the New Orleans Times-Picayune:

Cotton grower and cotton spinner again have clashed, and Senator COMER, himself one of the Nation's wily spinners, is attempting further to fasten upon our great crop the fetters of a "spinners' contract." Thereupon the cotton trade, representing farmer and cotton banker, cotton factor, and cotton dealer of the exchanges, are up in arms to defend their very reasonable and logical position.

Senator COMER'S assault is in the form of a "rider" to the Agricultural bill, designated as the "Comer rider," which, if adopted, will reduce the volume of tenderable cotton by many hundred thousand bales and will throw that amount of useful, spinnable cotton into the class of low grades, refused admission to the exchanges and deprived of the "hedge" protection which has such great importance in all cotton dealings.

I read now from a circular issued by H. & B. Beers Cotton Co., a cotton factor, member of the New Orleans exchange:

The absurdity of eliminating the grades above mentioned from delivery on contract is shown by the fact that middling tinged, which is at present untenderable, sells to-day at 475 points higher than low middling white, which is tenderable, or $23.75 per bale in excess.

Notwithstanding the elimination in March, 1919, of the preceding grades and the narrowing thereby of a free market for the producer, the Comer "rider" now proposes to eliminate 50 per cent of the grades below middling now tenderable, which will still further restrict the amount of merchantable and spinnable cotton available for deliveries on contract to the absolute and certain detriment of the producer.

The Comer amendment would, if adopted, make the contract entirely unsatisfactory to all interests except the spinner, who would be privileged to demand the best of grades on contract, thereby depriving the market of an outlet for the low grades, leaving the farmer, the southern spot holder, southern banks and merchants to carry the bag. In a word, the Comer amendment would place the southern cotton industry at the mercy of American and European spinners.

In other words, it would outlaw and deprive of price insurance 75 per cent to 80 per cent of low-grade merchantable and spinnable cotton raised by the farmers, and make it impossible for them to find a ready market for their product.

In answer both to the statement of the Times-Picayune, New Orleans, and Messrs. H. & B. Beers Cotton Co., New Orleans, will state that I am a spinner; that our company has 200,000 spindles in active operations, and we consume 60,000 bales cotton, and in the different mills (we have eight) we manufacture all grades, from ordinary to strict good middling. Will further state that we have handled 25,000 bales cotton contracts within the past season as hedges; that we have never demanded or received a bale through the exchange, but each and every time have bought the spot cotton in the spot market and sold the hedges when cotton was so bought, and that is the ultimate design of the exchange.

Mark you, we ourselves have bought 25,000 bales as hedges through the exchanges, and in this business we have not received one single solitary bale of cotton. It was not intended we should receive a bale. We bought the spot cotton and sold the hedges.

Any proposition which makes the exchanges the protector of the farmer as against the spinner is preposterous. The spinner is the buyer and consumer of cotton and not the exchanges, and anybody can understand how the spinner had rather have a firm and advancing cotton market than a vacillating declining market. The buyers of goods are possibly the smartest people in the world, and whoever knew or heard of one of them placing a big contract on a vacillating or declining market. A spinner's contract, meaning by that one in which the spinner has the advantage over the farmer and dealer, is impossible. An exchange contract is protective alike to every legitimate handler of cotton, including the farmer, the dealer, the spinner; their interests are identical, and it is impossible to separate them. The Messrs. Beers state that the Comer amendment "would place the southern cotton industry at the mercy of American and European spinners," as it would give them all the choice cotton, leaving the merchants, farmers, and bankers to hold the bag, which is supposed to be full of low grade, undesirable cotton. Messrs. Beers should know that the spinners, both English and American, go on the market and buy the spot cotton of such grades as they can use, making such goods as their customers demand, notwithstanding the higher grades have not been used in the exchanges for years.

The exchanges have not sold a bale of middling cotton in years. They do not intend to sell that kind of cotton. There has not been any middling or above delivered to the exchanges for years. I say notwithstanding this, through the demand of the spinners for that class of cotton, the high grades are much

go out; but I have not had a chance to read the bill to which the Senator refers. If it simply allows the dissolution of joint-stock land banks, I have not any objection to it at all, and it ought to pass.

Mr. McLEAN. That is all it does. It proposes to retain the first section of the act as presented by the Senator from North Dakota [Mr. GRONNA]. The bill is approved by the Banking and Currency Committee and is unanimously favored by the Federal Farm Loan Board. It is also desired by the joint-stock land banks themselves. I hope there will be no opposition to immediate action upon the measure.

Mr. SMOOT. Let the Senator ask unanimous consent for its present consideration.

Mr. McLEAN. I make that request.

There being no objection, the bill was considered as in Committee of the Whole which had been reported from the Committee on Banking and Currency, with an amendment to strike out all beginning with section 2, page 1, line 21, in the following words:

SEC. 2. That section 26 of said act be amended to read as follows:

"SEC. 26. That every Federal land bank, every national farm-loan association, including the capital and reserve or surplus therein and the income derived therefrom, shall be exempt from Federal, State, municipal, and local taxation except taxes upon real estate held, purchased, or taken by said bank or association under the provisions of *section 11 and section 13 of this act*. Bonds, mortgages executed to Federal land banks and farm-loan bonds issued by Federal land banks, under the provisions of this act, shall be deemed and held to be instrumentalities of the Government of the United States, and as such they and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation.

"Shares in any joint-stock land bank may be included in the valuation of the personal property of the owner or holder of such shares in assessing taxes imposed by authority of the State within which the bank is located, and such assessment and taxation shall be in manner and subject to conditions and limitations contained in section 5219 of the Revised Statutes with reference to the shares of national banking associations.

"This amendment shall not apply to any farm-loan bond issued by any joint-stock land bank, or farm mortgage taken by such joint-stock land bank, prior to the taking effect of this act. Such bonds and mortgages and the income derived therefrom shall continue to be exempt from Federal, State, municipal, and local taxation: *Provided*, That as to any joint-stock land bank duly organized and doing business under this act, prior to January 1, 1920, any farm-loan bonds issued by any such joint-stock land bank, this amendment to section 26 shall not become operative until such joint-stock land bank shall have issued farm-loan bonds in amount equal to fifteen times the amount of the paid-up capital stock of such bank on January 1, 1920.

"Nothing herein shall be construed to exempt the real property of Federal land banks and national farm-loan associations from either State, county, or municipal taxes, to the same extent, according to its value, as other real property is taxed."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

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

The title was amended so as to read: "A bill to amend section 16 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act."

UNFAIR FOREIGN COMPETITION.

The VICE PRESIDENT. Is there further morning business? There being none, it is closed.

Mr. SMOOT. I move that the Senate proceed with the consideration of the bill (H. R. 10918) to provide revenue and encourage domestic industries by the discrimination, through the assessment of special duties, of unfair foreign competition, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah to take up House bill 10918.

Mr. THOMAS. What is the bill?

Mr. SMOOT. It is the bill known as the antidumping bill.

Mr. THOMAS. I object.

Mr. SMOOT. I have moved that the Senate proceed to the consideration of the bill.

Mr. KENYON. Is the motion debatable?

The VICE PRESIDENT. It is not.

Mr. KENYON. I rose to make an inquiry concerning it.

The VICE PRESIDENT. Before 2 o'clock a motion to proceed to the consideration of a bill is not debatable.

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

The VICE PRESIDENT. The roll will be called.

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

Borah	Gerry	Lodge	Sutherland
Calder	Gronna	McLean	Thomas
Capper	Harris	Nelson	Townsend
Chamberlain	Harrison	Nugent	Underwood
Comer	Henderson	Robinson	Walsh, Mass.
Culberson	Jones, N. Mex.	Sheppard	Walsh, Mont.
Curtis	Jones, Wash.	Smith, Ariz.	Warren
Dillingham	Kenyon	Smith, Ga.	
Frelinghuysen	King	Smoot	

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to illness. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Thirty-four Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. ASHURST, Mr. KENDRICK, Mr. KEYES, Mr. MCNARY, Mr. PAGE, Mr. RANSDELL, Mr. SMITH of Maryland, and Mr. WADSWORTH answered to their names when called.

Mr. SMITH of South Carolina, Mr. FERNALD, Mr. KELLOGG, Mr. ELKINS, Mr. POMERENE, Mr. KNOX, Mr. FRANCE, Mr. BALL, Mr. HARDING, Mr. BRANDEGEE, Mr. CUMMINS, Mr. COLT, Mr. HITCHCOCK, Mr. REED, Mr. MCCORMICK, Mr. GAY, Mr. HALE, Mr. MCKELLAR, Mr. MYERS, Mr. PHIPPS, Mr. PITTMAN, Mr. STERLING, and Mr. SWANSON entered the Chamber and answered to their names.

The VICE PRESIDENT. Sixty-five Senators have answered to the roll call. There is a quorum present. The question is on the motion of the Senator from Utah [Mr. SMOOT] that the Senate proceed to the consideration of House bill 10918, commonly known as the antidumping bill.

Mr. THOMAS. On that I ask for the yeas and nays.

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

Mr. JONES of New Mexico (when his name was called). I have a pair with the Senator from Missouri [Mr. SPENCER]. In his absence I withhold my vote, being unable to secure a transfer.

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to the Senator from Washington [Mr. POINDEXTER] and vote "yea."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. I transfer that pair to the Senator from Tennessee [Mr. SHIELDS] and vote "nay."

The roll call was concluded.

Mr. GAY. I inquire if the Senator from New Hampshire [Mr. MOSES] has voted.

The VICE PRESIDENT. That Senator has not voted.

Mr. GAY. I have a general pair with the Senator from New Hampshire, and therefore withhold my vote.

Mr. BALL. I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. I understand that Senator has not voted.

The VICE PRESIDENT. He has not voted.

Mr. BALL. I transfer my pair to the junior Senator from Wisconsin [Mr. LENROOT] and vote "yea."

Mr. GAY. I transfer my pair with the senior Senator from New Hampshire [Mr. MOSES] to the senior Senator from California [Mr. PHELAN] and vote "nay."

Mr. JONES of New Mexico. I transfer my general pair with the Senator from Missouri [Mr. SPENCER] to the Senator from Kentucky [Mr. STANLEY] and vote "nay."

Mr. KENDRICK (after having voted in the negative). I inquire whether the Senator from New Mexico [Mr. FALL] has voted.

The VICE PRESIDENT. He has not voted.

Mr. KENDRICK. I withdraw my vote, having a general pair with that Senator.

Mr. COLT (after having voted in the affirmative). I transfer my pair with the junior Senator from Florida [Mr. TRAMMELL] to the junior Senator from California [Mr. JOHNSON] and allow my vote to stand.

Mr. PHIPPS (after having voted in the affirmative). I have a general pair with the junior Senator from South Carolina [Mr. DIAL]. When I voted I was not aware of his absence. As he is not present and I can not obtain a transfer, I withdraw my vote.

Mr. WARREN (after having voted in the affirmative). I observe that the Senator from North Carolina [Mr. OVERMAN], with whom I have a general pair, has not voted. I transfer my pair so that the Senator from North Carolina will stand paired with the Senator from Nebraska [Mr. NORRIS] and will allow my vote to stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Wisconsin [Mr. LA FOLLETTE] with the Senator from Arkansas [Mr. KIRBY];

The Senator from Indiana [Mr. NEW] with the Senator from Oklahoma [Mr. GORE];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Delaware [Mr. WOLCOTT].

The result was announced—yeas 31, nays 30, as follows:

YEAS—31.

Ball	Elkins	Kellogg	Nelson
Brandegee	Fernald	Kenyon	Page
Calder	France	Keyes	Smoot
Capper	Frelinghuysen	Knox	Sterling
Colt	Gronna	Lodge	Sutherland
Cummins	Hale	McCormick	Townsend
Curtis	Harding	McLean	Warren
Dillingham	Jones, Wash.	McNary	

NAYS—30.

Ashurst	Henderson	Pomerene	Smith, S. C.
Chamberlain	Hitchcock	Ransdell	Swanson
Comer	Jones, N. Mex.	Reed	Thomas
Culberson	King	Robinson	Underwood
Gay	McKellar	Sheppard	Walsh, Mass.
Gerry	Myers	Smith, Ariz.	Walsh, Mont.
Harris	Nugent	Smith, Ga.	
Harrison	Pittman	Smith, Md.	

NOT VOTING—35.

Beckham	Johnson, S. Dak.	Norris	Simmons
Borah	Kendrick	Overman	Spencer
Dial	Kirby	Owen	Stanley
Edge	La Follette	Penrose	Trammell
Fall	Lenroot	Phelan	Wadsworth
Fletcher	McCumber	Phipps	Watson
Glass	Moses	Poindexter	Williams
Gore	New	Sherman	Wolcott
Johnson, Calif.	Newberry	Shields	

So Mr. SMOOT's motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, which had been reported from the Committee on Finance, with an amendment to strike out all after the enacting clause and to insert:

That when used in this act—

The word "person" shall include individuals, partnerships, corporations, and associations.

The term "purchase price" shall mean the price or amount paid or to be paid for purchased merchandise as packed ready for shipment to the United States.

The term "selling price" shall mean the price or amount paid or to be paid by the person to whom imported merchandise obtained otherwise than by purchase shall be sold in the United States, not including duties, commissions, or any expenses subsequent to shipment of the merchandise to the United States.

The term "purchased merchandise" shall apply to imported merchandise, dutiable or free, when the price or amount to be paid therefor by a person in the United States to a person in a foreign country or to his agent or representative in the United States has been fixed or agreed upon at the time of or prior to the exportation of the merchandise, whether the merchandise is shipped directly to the purchaser, or to an agent of the seller, or to the seller's branch house in the United States for delivery.

The phrase "otherwise than by purchase" shall apply to imported merchandise, dutiable or free, shipped from a foreign country to the United States without a price or consideration paid or to be paid by a person in the United States to a person in a foreign country, or to his agent or representative in the United States, having been fixed or agreed upon at the time of or prior to the exportation of the merchandise.

The term "United States" shall mean the United States and any Territory or place subject to the jurisdiction thereof, except the Philippine Islands, the islands of Guam and Tutuila, the Virgin Islands, and the Isthmian Canal Zone.

SEC. 2. That whenever the purchase price of imported merchandise, dutiable or free, of a kind or class made or produced in the United States shall be less than the actual market value thereof, as defined in section 3 of an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913; or, if there be no such actual market value, whenever the purchase price of said merchandise shall be less than the price at the time of exportation for which such merchandise shall be sold for exportation to a country other than the United States; or in case there is neither said actual market value nor said price for exportation; or in case said value or price can not be ascertained to the satisfaction of the appraising officer, whenever the purchase price of said merchandise shall be less than the cost of production, as prescribed in paragraph L of section 3 of said act of October 3, 1913, there shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise a special or dumping duty in the amount of the difference between the purchase price and said actual market value, or between the purchase price and said price for exportation to a country other than the United States, or between the purchase price and said cost of production, as the case may be: *Provided* That such special or dumping duty shall not apply to any advance in said actual market value or in said price for exportation, as the case may be, between the time of purchase and the time of exportation of the merchandise.

SEC. 3. That whenever the selling price of imported merchandise, dutiable or free, of a kind or class made or produced in the United States shall be less than the actual market value as defined in said section of said act of October 3, 1913, or if there be no such actual market value, whenever the selling price of said merchandise shall be less than the price at the time of exportation for which such merchandise shall be sold for exportation to a country other than the United States, or in case there is neither said actual market value nor said price for exportation, or said value or price can not be ascertained to the satisfaction of the appraising officer, whenever the selling price of said merchandise shall be less than the cost of production, as prescribed in paragraph L of section 3 of said act of October 3, 1913, there shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise, a special or dumping duty in the amount of the difference between the selling price and said actual market value, or between the selling price and said price for exportation to a country other than the United States, or between the selling price and said cost of production, as the case may be.

SEC. 4. That if any person selling, shipping, consigning, or manufacturing merchandise exported to the United States shall fail or refuse to submit to the inspection of a duly accredited investigating officer of the United States, when so requested to do, any or all of his books, records, or accounts pertaining to the value or classification of such merchandise, then the Secretary of the Treasury is hereby empowered and directed, while such failure or refusal continues, to refuse entry into the United States of any goods, wares, or merchandise sold, shipped, consigned, or manufactured by such person.

SEC. 5. That any person who shall, by rebate or concession, or by any other means, directly or indirectly, effect a reduction or diminution of the purchase price or of the selling price, whereby the purchase price or the selling price of imported merchandise, dutiable or free, covered by this act shall be less than the actual market value, or the price for exportation, or the cost of production, as the case may be; and any person importing said merchandise, or to whom said merchandise shall be consigned, who shall fail or refuse to submit to the inspection of a duly accredited investigating officer of the United States, when so requested to do, any or all of his books, records, or accounts pertaining to said merchandise, shall upon conviction be fined for each offense a sum not exceeding $5,000, or be imprisoned for a time not exceeding two years, or both, in the discretion of the court.

Mr. THOMAS. Mr. President, I desire to offer an amendment to appear at the end of the bill which is now being considered. I ask to have it read, printed, and lie on the table.

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

The amendment was read, ordered to lie on the table, and be printed, as follows:

Add at end of proposed amendment of the committee the following:

"That there shall be levied, assessed, collected, and paid in respect of the excess over the sum of $1,000 which any person, firm, association, or corporation shall give, advance, pay, expend, subscribe, or contribute in the aggregate during any taxable year for the purpose, directly or indirectly, of influencing the nomination or defeat of any candidate or candidates for nomination, or the election or defeat of any candidate or candidates for office, or the success or defeat of any proposition to be voted upon at any primary election or general or special election at which candidates for Members of the House of Representatives or for United States Senator or presidential electors are to be nominated or elected, a tax equal to 100 per cent of such excess, such expenditures or contributions to include all sums in any form contributed, subscribed, advanced, expended, paid, or given to or for or against such candidate, candidates, or proposition or to or for party or other political committees or campaign funds, but not to include lawful expenditures made by such candidates or regular political committees or out of such campaign funds of moneys lawfully contributed to them.

"Every person, firm, and corporation required by law to make an income-tax return shall state therein specifically each item and the date thereof of all gifts, advances, expenditures, subscriptions, payments, and contributions made, and to whom, for the purpose of influencing the result of such primary and general elections and of all taxes due thereon under the provisions of this section. And the treasurer or chairman of all State or congressional committees and of all political committees as defined in the act of Congress approved June 25, 1910, entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected,' and of all associations or committees organized to promote or prevent or engaged in promoting or preventing the nomination or election of any candidate for Member of the House of Representatives or of the Senate of the Congress of the United States or for presidential elector or electors, shall within 30 days after the election to be held therefor file with the collector for the district where the headquarters or other office where such committee or association is located, a return stating specifically all sums of money received, from whom received, and the date thereof."

Mr. KING. Mr. President, I desire to give notice that during the day I shall offer an amendment to the pending bill. I did not know that this measure was to be called up this morning or I should have prepared an amendment expressing definitely the point in mind; but, in substance, it will provide that the dumping duty provided for in the pending bill shall not be imposed in any case unless the collector of customs for the port at which such imported merchandise is dutiable shall first find and determine from the evidence before him that the production, manufacture, sale, or distribution of such commodity within the United States is not controlled by any corporation, association, combination, trust, or conspiracy to create a monopoly in such commodity, and that such commodity is not sold in the markets of the United States at an unfair or unreasonable price, and the burden of proof to establish the foregoing shall be upon the importer, and unless the importer shall establish the same said dumping duty shall not be imposed.

Mr. REED. Mr. President, the Republican Party, which by a strict party vote, or nearly so, has forced this bill on for consideration, is entitled to the thanks of the country for having on the eve of an election shown that while the hand is still that of Esau the voice is nevertheless the voice of Jacob.

The one thing that for years has characterized the Republican Party is its tender solicitude for big money. It still adheres to the philosophy that if you take care of *big money big money* will take care of the people.

We have in the United States at the present time a condition where the consumer is being plucked and robbed to a degree that requires no description by me, for the effect of that plundering is felt in every household of the land. Undoubtedly the condition is largely the result of an actual dearth of production; but growing out of that primal cause is a speculation that begins with the original producer and ends only when the product is turned over to the ultimate consumer. Enormous profits are being realized not only by the manufacturer but by every middleman of the United States. These profits can be in part measured by the huge excess-profits taxes collected by this Government, and I have no doubt that a very large percentage of excess-profits taxes that are due are never in fact returned or collected. The profits can be measured also in the rough by the advertising in the great dailies and periodicals of the country. The testimony which the Committee on Manufactures has been taking discloses the fact that these advertisements are now so excessive that they have resulted in the increase in the size of publications to a point where the print paper of this country has been exhausted and newspapers of the smaller kind are being forced out of business because they are compelled to pay as high as 16 cents a pound for white paper that a few years ago brought 2 cents or 2½ cents a pound.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. REED. I do.

Mr. THOMAS. In this connection I suppose the Senator noticed in the morning press the statement that the price is to be advanced again on the 1st of July.

Mr. REED. Newspaper proprietors tell the committee that advertisements are offered to them, perfectly legitimate in their character, in such quantities that they can not print them. These advertisements are being rejected daily in order to circumscribe to some extent the consumption of white paper. This influx of advertising has grown up chiefly since the war, and it has increased notwithstanding a steady and, in many instances, a radical advance in advertising rates. The reason given is that trade is brisk, prices are high, profits are large, and therefore advertising goes on in increasing ratio.

All this I am citing—and I might hold the floor for hours bringing forward similar evidence—to show that to-day, without using the ugly term of "profiteering," profits are being made that are excessively large. It is possible to charge the prices which realize those profits because there is an actual gap between production and consumption. There are not enough goods here to supply the market, and there will be no real relief until the goods are supplied.

Mr. President, at a time like this, with these conditions confronting us, the Republican Party by a party vote forces for consideration a bill the purpose of which is to prevent the fall of prices!

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

Mr. REED. Yes; I am glad to yield.

Mr. SMOOT. A bill passed Congress just the other day allowing paper to come into the United States free of duty up to 8 cents a pound instead of 5.

Mr. REED. Yes.

Mr. SMOOT. I suppose the Senator would not charge the Republican Party with being guilty of allowing that 8-cent paper to come in with a view to increasing its price?

Mr. REED. No, Mr. President. While that is aside from what I am talking about and is a detail I will take it up and dispose of it in a few words.

Under the tremendous pressure of the newspapers that were being starved to death, a bill was passed permitting paper to come into the United States free of duty up to the value of 8 cents a pound; but the statement was made at the time that the only effect of the bill was to let in the paper which had previously come in free, that the price had gone up on paper to above 5 cents, and that the result of the tariff duty was to keep out paper which formerly had come in free. But the bill did not go far enough. The bill ought to have admitted all paper free of duty, of whatsoever price, because all paper, except some of the very highest classes used for only limited purposes, is made out of the same raw material substantially as newsprint paper, and if we would let all of it come in we would be better able to supply the demand which is now made for newsprint paper.

What has that to do with this case? This bill applies to everything. We have to-day a shortage of shoes. Men are paying $18 and $20 for shoes who used to get the same shoes made in the same factories for from $5 to $7. We have a shortage of clothing. Men are paying $100 to $150 for a tailor-made suit who used to pay $50 and $65 for the same suit. What I have said of these two items applies everywhere.

Under such conditions what could be better for the American people than to have that sort of a market speedily broken up? What would tend more to break it up than to have the goods of foreign countries brought here and sold so that these enormous prices could no longer be extorted from our people?

In order to take care of the manufacturers of the United States, who have been making profits beyond the dreams of Crœsus, you propose to shut the American citizen off from the only possible source of supply that will enable him to get decent prices. It is the old story of the Republican Party still bowing at the shrine of Mammon and still willing to rob the consumers of the United States for the benefit of a few overrich producers.

That is all I want to say this morning. I shall have something to say later on.

Mr. THOMAS. Mr. President, I filed what is called the minority report on this bill, and, while it bears my signature and none other, I am authorized to state that it expresses the views of several of the minority members of the Finance Committee. Hence, while it is ostensibly the objection of a single member, it is actually that of several others.

I endeavored in that report to outline as concisely as possible what seemed to be the chief objectionable features of this proposal. Briefly stated, the object of the bill is to prevent the importation into the United States of goods which seemingly command a price below that which is asked or which can be obtained for the same goods in the country of exportation; and it is designed, therefore, as stated by the Senator from Missouri [Mr. REED], to protect American manufacturers from foreign competition, upon the theory that the practice known as dumping is a species of unfair competition which may result in injury of a very serious nature to our domestic production.

It is ostensibly prompted by the enactment of a similar measure in Canada and aimed principally at manufacturers in the United States. The very fact, however, that Canada has seen fit to enact such legislation indicates that the American manufacturers have been doing to Canada, or propose to do to Canada, the very thing which the bill is designed to prevent as regards Canada and other competitive nations; and that, of course, must assume that we have been practicing, or are practicing, unfair competition against other nations, thereby provoking retaliatory legislation, of which this is a part.

But, Mr. President, I am inclined to the belief that this is one of a series of pending measures of an economic character that is designed to fasten ultimate and complete prohibition against the possibility of competition with American production.

Mr. SMOOT. Mr. President, I think, in justice to those who are listening to the Senator, he ought to say that it affects no importations if the goods are sold to American merchants or importers at the same price at which similar goods are sold in any other country. It affects only those goods which are sold in this country at a lower price than that at which they are sold in other countries. In other words, I know the Senator is well aware of the practice which Germany has exercised in the past——

Mr. THOMAS. Yes; and I am also well aware of the practices we have exercised against Germany in the past.

Mr. SMOOT. I am speaking of this particular bill now.

Mr. THOMAS. So am I.

Mr. SMOOT. Wherever the goods have been sold, Mr. President, at a less price than that at which they are sold in other countries, it is generally for the purpose of unloading a surplus amount which they may have on hand at less than cost, or else to destroy an American industry, and that has generally been the case in the past. I could stand here all day and cite cases where Germany has destroyed American industries through just that very same practice.

Mr. THOMAS. I know what is the ostensible basis of the bill, and it has just been very clearly stated by the Senator from Utah. But in the administration of this bill every manufacturer or seller of American goods, apprehensive of foreign competition, will invoke and seek to apply the inhibitory clauses of the bill to all importations of goods of a similar character, thus causing an investigation, and pending the investigation, which, of course, involves a hearing, the importer, notwithstanding he does not come within the provisions of the bill at all, may be very seriously crippled, perhaps ruined, as a result of the investigation, because goods are purchased, either from domestic or from foreign manufacturers, for but one purpose, and that is for resale, and generally speaking for rapid resale.

It is the utilization of an apprehension for the purpose of placing a conditional embargo upon foreign importations, both as to their purchase and as to their sale, and both of which incidents can be invoked against the same line of goods or the same importations.

That is bad enough; but the serious and far-reaching objection to the measure is that, under the guise of preventing injury to American manufacturers, it abolishes the free list, or tends in that direction; and if that be true, then the bill should be rejected without regard to the existence of any danger which it seeks to obviate.

Now, let us see. I call attention to sections 2 and 3 of the bill, the first relating to the purchase price, the second to the selling price. Section 2 provides—

That whenever the purchase price of imported merchandise dutiable or free of a kind or class made or produced in the United States shall be less than the actual market value thereof as defined in section 3 of an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913.

Section 3 uses the same language, reading:

That whenever the selling price of imported merchandise dutiable or free of a kind or class made or produced in the United States shall be less than the actual market value as defined in said section of said act of October 3, 1913.

Goods which have been exempted from the operation of every tariff law that Congress ever enacted, goods which have sometimes appeared upon, sometimes have been absent from, the free list, goods which the trade experiences of this country have demonstrated should remain upon the free list, become subject to the embargo proposed by the bill the instant any American manufacturer or rival dealer desires to place obstacles in the way of imported goods of the same character. The procedure through which the administration of the bill is effected provides that—

There shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise, a special or dumping duty in the amount of the difference between the purchase price and said actual market value, or between the purchase price and said price for exportation to a country other than the United States—

And so forth. And in the other section that—

there shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise, a special or dumping duty in the amount of the difference between the selling price and said actual market value.

The law is drawn, in other words, upon the principle that the old darkey set his coon trap, to "ketch 'em comin' an' gwine." John Smith imports a line of goods either dutiable or free. His competitor here says that the purchase price is less than the purchase price of the same goods at the orignal home market, but he may also say that the selling price is less than the selling price here or the selling price in the country of exportation, and he may well ask, therefore, that the duty which is levied as a penalty upon the purchase and the duty which is levied as a penalty upon the selling shall both be collected from the unfortunate individual who has the temerity to import goods into this country for the very legitimate purpose of making a profit in his business.

Mr. President, we are going mad, it seems to me, in our proposed legislation consequent upon the war, as we did in our legislation during the war.

Mr. SMOOT. Of course, the Senator in referring to section 2 of the bill, which relates to the country where the goods are purchased, knows that that is the purchase price of imported merchandise, while section 3 has reference to the selling price of imported merchandise.

Mr. THOMAS. Yes; and my contention is that both sections can be applied to the same importation.

Mr. SMOOT. I thought the Senator so stated. Section 3 applies to agents of importers, goods being shipped from a foreign country to an agent in New York or any other place in the United States. The goods are not sold to them at all. The goods belong to the foreign manufacturer, and they are only held here by the agent for the sale in the United States and following importation. This provision simply means that where they are imported direct the law shall apply, or where the agent in the United States sells the goods that have been sent him as agent of the foreign manufacturer, then it shall apply. It is impossible to have both sections apply to the one sale of goods.

Mr. THOMAS. I am satisfied that that is the Senator's construction of the bill, and I am satisfied that unless that were his construction he would not have reported it favorably.

Mr. SMOOT. Of course not.

Mr. THOMAS. So I am not in any way attempting to criticize the position which the Senator occupies and has occupied regarding the bill, but I have known of a great many statutes in my time which have been enacted with a clear purpose and object in view in the administration of which great disappointments have resulted.

I was referring, when interrupted, to the tendency to enact ill-advised and ill-considered legislation in this postwar period, and in the absence very largely of adequate and satisfactory information. You will recall, sir, that during the war every bill of any consequence introduced in Congress recited in its preamble or somewhere in the body of the bill that its purpose was the more effectual and vigorous prosecution of the war.

Now, these bills of an economic character are designed upon their face, or in the discussions accompanying and following their consideration in committee, on the ground that they are necessary for safeguarding American industry against the inevitable and immediate consequences of the termination of the war.

Mr. President, the country has been flooded with literature and with assurances of other sorts of the accumulation in other great manufacturing countries of enormous quantities of merchandise designed for the American market, about to be imported, and which upon arrival will be sold at ruinous competitive prices. It is that bugaboo, that element of the distorted imagination, which lies at the basis of this bill and of the dye bill and of every one of the so-called popgun tariff bills that have been passed by the House and sent over here for consideration.

Mr. REED. Mr. President——

Mr. THOMAS. I yield to the Senator from Missouri.

Mr. REED. If it will not interrupt the Senator I should like to inquire if the pending bill was submitted to the Tariff Commission for its views and recommendation?

Mr. THOMAS. Yes, it was; and I have here, if the Senator desires to see it, a copy of their report.

Mr. REED. On the bill as now amended?

Mr. THOMAS. Upon the bill, not upon the bill as now amended. That is correct, is it not?

Mr. SMOOT. Yes. I will say to the Senator from Missouri that the Tariff Commission is virtually the author of the measure; that is, they drew the provisions of the bill as amended, at my request.

Mr. THOMAS. Yes; they drew the bill.

Mr. SMOOT. I do not say that the Tariff Commission suggested that this legislation should be passed.

Mr. THOMAS. No; they did not do that.

Mr. SMOOT. I do not want to be misunderstood. They did not do that. I understood the Senator from Missouri to ask whether their attention had been called to the bill.

I wish to say to the Senator that at my request the bill was drawn by the Tariff Commission—that is, with the exception of a few amendments that were offered to it in committee by myself before reporting it to the Senate—but the principle of the bill and the substance of it were the result of a request made by me of the Tariff Commission.

Mr. REED. What I want to ascertain is whether the Tariff Commission sponsors this legislation.

Mr. THOMAS. Oh, no; it is not permitted under the law to sponsor any legislation.

Mr. REED. Does it recommend it?

Mr. THOMAS. It is not permitted to recommend any, and has not recommended this measure. It made a report, at the request of the House committee, and that report I have just handed to the Senator.

Mr. REED. I thank the Senator, and I will examine the report.

Mr. THOMAS. Mr. President, I venture the assertion, without any hesitation, that there is no surplus stock of manufactured goods anywhere in the world outside of the United States. The manufacturing countries of the world are the United States, Canada, Japan, England, France, Italy, Germany, Belgium, and probably some others. It is those nations which furnish the 1,600,000,000 human beings in the world with the manufactured necessities of life, and in every one of them the war has not only dislocated but resulted in a practical suspension of their ordinary and essential functions. This was inevitable. The machinery engaged in the manufacture of merchandise for the world in those countries, every one of which was involved in the war, was for the most part mobilized and converted into the production of munition supplies. That is true of all of them—textile manufacturers, metal manufacturers, chemical manufacturers, and production of all sorts. Even the products of the mines were diverted from their legitimate channels to those of war, and at the same time some 20,000,000 producers, the young men of all those nations, were either entirely withdrawn from the avenues of production and placed in the ranks or else they were mobilized also for the necessary production of war material of all sorts.

Moreover, the obtaining of raw materials for manufacture for commercial purposes outside of the United States was almost completely suspended, and here, after we entered the war, they were diverted for the most part into military channels. To contend, therefore, that England or France or Germany or Japan, which is a new specter upon the protectionists' horizon, is so encumbered with the good things of the world as to induce the owners of this merchandise to seek the great American market would be a hallucination, if it were not a deliberate conspiracy. What greater boon to-day could befall the people of the United States than the importation to it of millions upon millions of dollars' worth of clothing, of foodstuffs, and of all the other items that go to make up modern civilized life? What a terrible calamity it would be to the people of the United States, in other words, if foreign competition resulted in a reduction of prices to the consumers in America!

Instead of prohibiting it we should welcome it with outstretched arms, and thereby mitigate to some degree the conditions to which the Senator from Missouri has just directed the attention of the Senate. Of course, I would not, any more than any other American, care to see such a situation prolonged to the extent of menacing the existence of American industries, but these are able to take care of themselves, their statements to the contrary notwithstanding.

The business of dumping is not peculiar to Germany. During the discussions in the Senate of the provisions of the Payne-Aldrich bill, and upon the floor of the House as well, the attention of the country was called time after time to the sale in foreign markets of American goods at percentages and prices enormously below those which were required to be paid by American consumers.

Mr. REED. And it was defended on the other side of the Chamber.

Mr. THOMAS. Yes; defended as an economic necessity, and due, of course, to the production of more goods than the domestic market could consume.

I recall, Mr. President, reading during those days of the importation from Europe to America of a line of cheap watches which the importers were able to sell to the American consumer, after paying freight twice across the Atlantic, for less than a similar article manufactured by the same institution could be secured for here. I do not defend that practice; I never did; but I am unable, Mr. President, to see wherein practices which we doubtless taught our competitors, and which certainly did exist in certain lines of industry, notably in the dye industry, and by the connivance of the textile manufacturers of the United States, should be used at this time as an argument for legislation, based, as I say, upon conditions of which we know practically nothing beyond the fact that the menace which lies at the basis of it is much more imaginary than real.

Now, Mr. President, when you take this antidumping bill, and consider also the embargo features of the dye bill—both of which are unique pieces of protective legislation, both of which are prohibitory in their character, under neither of which can the Government of the United States obtain any revenue, but which in their operation will continue war prohibitive conditions—we are driven to one conclusion, namely, that the manufacturers of the United States have discovered, through their enjoyment of absolute prohibition under war conditions, a most unique method, through legislation, of continuing these conditions in times of peace; and by substituting licenses and antidumping features, which are but the entry of the head of the camel into the protection tent, those methods of so-called protection will ultimately become substitutes for tariff duties.

Why not? If importations can be stopped at the port of reception, or if before they are permitted to cross the sea a license must be secured from some bureau down here in Washington, or, what is better, if permission must be obtained from an embargo commissioner, what is the use of a system of protective tariffs? Why not do away with tariffs? They do not bring much to the Government, anyway, when they are too high; their administration is complicated and sometimes difficult, sometimes ineffectual. Constant legislation is had either to reduce or to expand them. They never have been permanently established.

If our Republican friends carry the next election, they will not "do a thing" to the Underwood-Simmons tariff bill. They are whetting their chops now over the anticipatory blessings that are to come from a change of administration. They are already proposing, in addition to these special features of protection, a line of duties for so-called war industries that will make poor old Aldrich turn over in his grave if he hears of them; and all upon the phantom apprehension that the competitive manufacturing nations of the world, with untold millions of dollars' worth of goods piled up upon the wharves of the ports of Europe, will invade the markets of the United States and accomplish what the military power of Germany failed to do.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. GAY in the chair). Does the Senator from Colorado yield to the Senator from Missouri?

Mr. THOMAS. I yield.

Mr. REED. And if the Senator from Colorado will permit a suggestion, at the very time that they are telling us that these vast quantities of goods are piled up and ready to be dumped in America, they are telling us that Europe is starving to death and freezing to death, and that the people of the Old World have neither clothing nor shoes nor food; But in they would have us believe that there are vast quantiause of thrchandise there unconsumed and ready to be shipped trough antry and sold at ridiculously low prices. elf; and I will

Mr. THOMAS. Yes; Mr. President, the rld—and I say be Senator from Missouri is a most apt one. Ontck of them in the these positions can not be correct, for other n in the United facturers of Europe are far more heartless than wn to a reasonturers were ever charged with being, because they think thereting their own people to suffer for the necessities of li ition a that they may flood the American markets with their goods hen

Mr. REED. And sell them cheaply.

Mr. THOMAS. And sell them cheaply, so cheaply, indeed, that the great monopolies of America will be ruined if those goods are permitted to come.

Oh, Mr. President, I have the highest respect for my associates upon the committee; I have no intention, even indirectly, of impeaching their sincerity in the consideration and support of this and kindred measures. I can only account for their state of mind, however, by assuming that they have blindly accepted the representations which have been made by the beneficiaries of these proposed measures and would hasten legislation before this session of Congress adjourns lest panic and ruin and bankruptcy overwhelm the country between now and the occurrence of the next Presidential election.

The report of the Tariff Commission is confined principally to a discussion of the operations of the Canadian measure, which is both condemned and approved by Canadians interested in its operation. It is said that other countries have also enacted antidumping legislation, but the only other instance which is discussed in the report of the commission is that of Australia. I am in receipt of a copy of a telegram, dated the 24th day of April last, regarding the proposed Balfour dumping bill in Great Britain, which I will read:

> According to a cable from United States Commercial Attaché Hutchinson at London, made public to-day by the Bureau of Foreign and Domestic Commerce, the Balfour bill, designed to protect the key industry and prevent dumping, has been rejected on second reading by a majority of 1.

Great Britain was in the war much longer than we, but she seems to be recovering her commercial equilibrum much more rapidly than is the United States. Doubtless her commercial agencies have long ago satisfied themselves that the evils sought to be remedied by this sort of legislation were more imaginary than actual. Whatever the reason may be, however, I can not but believe that the action of the British House of Commons upon this subejct is wise and will prove to be so by the passage of events.

I had occasion yesterday in discussing the bill relating to the dyestuffs industry, which claims to need an embargo in order to protect it against German dye competition, to direct attention to the economic condition of the German people and also to the economic features of the treaty in order to establish my contention that competition from German sources in the dye industry for the next few years is an economic and physical impossibility. I then pointed out also that the amount of German dyes on hand was not only insufficient to meet the demands, but that, because of that fact, England and France had both repealed their embargoes against German dyestuffs and were anxious to get them.

One has but to read in the magazines and in the dispatches day after day what the economic and political conditions of Germany are to form a perfectly sane and, I think, sound opinion regarding the condition of that unhappy people. The Saturday Evening Post, which I bought this morning, contains an article upon the subject from the pen of Will Irwin, who I do not think can be accused of any bias toward Germany, who represents this paper in Europe, and who says, among other things, in an article from his pen which appears in that magazine:

> The general statements heard all last winter to the effect that Germany was working while the rest of us struck and loafed, that she was piling up goods to flood our markets, circulate no longer. The allied council has somewhat tardily realized that Germany can never pay the bill unless she is granted raw materials and fed.

I might pause here to emphasize the fact that the textile manufacturers in Germany are without raw materials. She was our third best customer for them before the war. My recollection is that our annual exports of cotton to Germany prior to 1914 were about $150,000,000. She has not the credit nor the goods to exchange for that cotton to-day. If she had, I should like the Senator from Georgia [Mr. SMITH] to consider what a calamity it would be to the cotton producers of Dixie if they were compelled to accept German goods in exchange for cotton at 50 cent[illegible] pound. But she has them not. Neither has she the money [illegible] the character of money now in Germany is also mention[illegible] is author:

The alli[illegible] somewhat tardily realized that Germany can never pay [illegible] ness she is granted raw materials and fed; and the al[illegible] public in order to get opinion back of [illegible] a kind or clas[illegible] hat will be resisted by private interests. But [illegible] than the act [illegible] newspapers I cull here and there one kind of general [illegible] gives a most untrue picture of German life and con[illegible] has to do with prices in Berlin. For example, an [illegible] turer, back from a flying trip, announced to the re[illegible] ng was cheap in Berlin; he had bought there an ex[illegible] shoes for $4, which couldn't be done at home. I have [illegible] paragraphs to the same effect. And it might be just as [illegible] set forth here what $4 American means to the average [illegible] man.

The mark is at present worth about a cent—sometimes a few mills more, sometimes a few mills less. It used to be worth a quarter. And the only fair test of living conditions is what a mark is worth to a German.

From the point of view of one who has an American income the situation is a kind of nightmare comedy, best illustrated by the present happy situation of our Army of the Rhine about Coblenz. The humblest American doughboy gets $23 a month, with free board, lodging, clothes, and medical attendance. Reenlisted men, noncommissioned officers, and those who perform special services on the side get more. Probably the average soldier in the army of occupation gets somewhat more than $40 a month over and above the necessities of life. In February the paymaster's department set the official rate of exchange at 100 marks to the dollar. An income of $40 a month became 4,000 marks a month. Let us say for the sake of easy calculation that the average pay of the enlisted men and "noncoms" is 50,000 marks a year—which is not far from the fact. Probably no salaried German in our zone of occupation gets as much. The highest salary of a German official in that region is, I believe, only 12,000 marks a year.

Fifty thousand marks a year is the interest, at the conservative rate of 5 per cent, on 1,000,000 marks—and our doughboy has food, clothes, and lodgings thrown in. By this calculation we may behold the Ameroc force as it appears to the natives of Coblenz—an army of millionaires! And so they deport themselves. In such a situation as now confronts Germany the rise in prices always lingers far behind the fall in the exchange value of money. For a long time the price of diamonds in and about Coblenz was about $100 a carat. Doughboy report has it—with what truth I know not—that the New York price is about $500 a carat. Whereupon they all saved or borrowed, and invested in diamonds. When they bought rings for themselves they wore them. When they bought rings for the girls at home they wore them also—on their little fingers. Nowadays as the drill sergeant commands "Carry arms!" a blinding glitter runs along the line.

Translating commodities back into American terms, a good razor costs 30 cents; a string of real amber beads for your girl, one to two dollars; a walking stick, from 10 cents to $1; a bottle of champagne, 40 cents.

That last item arouses recollections of the most pleasing and delightful character.

As a result of strikes and favoring Government measures workingmen's wages have been steadily advanced since the armistice. A common laborer now gets 2 marks an hour, a skilled mechanic 3½ marks or sometimes 4. The 44-hour week is now universal. Therefore the laborer, if he has steady employment, earns 88 marks a week; the skilled workman, 154 to 176 marks a week. To get American values calculate the mark as a cent.

As I have explained in the previous article, all food except game and poultry is theoretically rationed in Germany—and only theoretically. The people will not abide by the Government system of rationing, which is below the starvation line, anyway, and the Government has not the machinery of enforcement.

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To get our basis of comparison, then, let us take a common laborer with steady work. He earns at most 88 marks a week. Ignoring his necessary expense for Government-rationed bread, for rent, for fuel, for transportation if he lives far from his work, his week's pay will get 1 pound of butter at 35 marks, 1 pound of sugar at 16 marks, 2 pounds of beef at 12 marks a pound, and 6 eggs. Read the current prices in your morning newspaper, figure the total cost in current American money of a pound of butter, a pound of sugar, 2 pounds of beef and 6 eggs, and you find what a laborer's weekly salary means in Berlin.

* * * * * * *

"Speaking economically," said a German, "our middle class at this moment is tending to disappear. Part, through speculation and graft, are rising into the economic upper class; most of the rest are fading back into the economic lower class." For a great part of the middle class, lacking the weapon of the strike, is in bad straits. Stenographers, for example, get now 400 to 600 marks a month. The lowest of these salaries is a few marks a month better than the earnings of the common laborer; the highest, lower than that of the skilled mechanic.

Of course, Mr. President, payment of a workman in marks as compared with the payment of a workman in dollars gives an apparent great advantage to the former; but when you consider that it is impossible for him, owing to the difference in exchange, to earn a decent livelihood except for Government help, and that Government help is possible only through an enormous swelling of the national debt, which not only increases the necessary annual expenditures of the Government but also tends ultimately to make that burden absolutely unbearable should the debt ever be redeemed, or should the attempt be made to redeem it, in gold, the effect upon the industrial morale of the people can be well imagined; and when to that you add the further reflection that practically every dollar of profit made by these institutions must go to pay the allied indemnities, the total amount of which will not be fixed until the 1st day of May, 1921, how is it possible for the manufacturer or the laborer or any other subject of the Empire to continue to possess those elements of enterprise, that selfish enlightenment, which prompt men to work for gain?

If every dollar made by the people of the South had been taken from them by the Government of the United States as a penalty for their throwing the country into civil war in 1861, or, to be more precise, if such a penalty had been imposed upon the southern people as a part of the reconstruction scheme, the South to-day would be as poor and as desolate as it was when Lee surrendered his army at Appomattox, for production rests upon the ambition of the individual. In its last analysis it means the desire of that individual to improve his condition; and if such improvement is impossible, regardless of his efforts to that end, there is no incentive for his exerting himself at all. Hence the lack of what might be called industrial morale from one end of the former Empire of Germany to the other.

I think I have read enough from this article to indicate its general tenor. Senators who desire to pursue it further will find it one of the most interesting contributions to the subject that have so far appeared in print in America. So the bugaboo of dumpage, when applied to Germany, has not even the substantive proportions of a nightmare.

Now, let us take France. The war rested more heavily upon France than any other nation engaged in it, certainly any other western nation, Belgium not excepted. The French occupied territory was denuded of everything of a material character that the Germans could carry off or destroy. They did not content themselves with that, for they forcibly deported a great percentage of the population. They flooded the mines, thereby demonstrating that the German war of 1914 was a war of commercial as well as of political conquest. The French people—men, women, and children—were enlisted for the war, and production was necessarily limited to the barest necessities of life. The exports from France since the war have been practically negligible. The great disproportion between her exports and her imports has presented to her people perhaps the most serious financial problem that has so far arisen from the war. In southern France there is an excess of wines and liquors. They can not very well be dumped upon the shores of the United States, nor, even if the provisions of the Volstead law were modified to the extent demanded from some sources, could they come here. Her silks, if she had any, would find competition in the mills of America, which are able to-day to manufacture a better quality at a lower price. It certainly can not be contended, therefore, that we are confronted with the danger of dumpage from France.

Italy was not so badly treated; but Italy's unfortunate lack of coal and of raw materials has so badly crippled her productive activities that she is to-day upon the very border of national bolshevism. Only a day or two ago it was announced that the Italian Government proposed to put an inhibition upon the use of gasoline in passenger automobiles because of the lack of gasoline for actually necessary purposes in that Kingdom. There is no danger of dumping from there.

Belgium is doing better than any of the other allies in the war. She has had fewer labor disturbances. She has rallied to the new conditions of the nation more universally than any other people suffering from the war. Her manufactories are showing signs of productive activity and her coal mines are working full blast. But, Mr. President, Belgium was never a serious competitor with America except in glass and one or two other commodities.

In 1913, when the Finance Committee had the Underwood bill under consideration, the glass manufacturers of the United States insisted that a reduction of the duties they were then enjoying would put them out of business; and on paper they came very near proving it. Their competitor was Belgium, where enormous quantities of glass were made with cheap labor, and whose expansion would in all probability overwhelm the American market under a low rate of duty. Congress passed the measure, however, without change, and it is a singular fact that very soon afterwards the glass manufacturers of the United States began to pay dividends. No tariff was ever yet reduced, and certainly no tariff was ever lowered, without confronting the assurance that it meant grave injury and possible destruction to the business.

England, the greatest manufacturer of all, is exporting some goods. She is exporting a great many articles of merchandise to the United States. She is restoring her lines of international traffic, and supplying some of her old customers with much-needed articles. But, Mr. President, any excess of imports from Great Britain to this country is due to our very impolitic treatment of the dye situation, and results in the importation into America of vast quantities of shirtings, dyed with German dyes, and which the American market for shirtings inexorably demands, tariff or no tariff. They are not sending them here at low prices. I ordered a couple of shirts a few days ago. Two shirts in these days is about all a man of ordinary income can afford, one to wear while the other is in the wash. I ordered two very cheap shirts, and by cheap shirts I mean shirts which at prevailing prices were of ordinary character. They will cost me $6.50 apiece. I am inclined to think, from the looks of the material, that they will be made of imported shirtings, carrying German dyes in all probability. That sort of dumping does not make me feel very comfortable, if it is dumping.

Mr. President, the proponents of this bill, in my judgment, will be unable to specify the importation in quantity of goods from any other country since the war.

Mr. SMOOT. Mr. President——

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

Mr. THOMAS. With pleasure.

Mr. SMOOT. If I had time, I would specify to the Senator; and if he does not object—and I do not think he will, as 2 o'clock is nearly here—I wish to say that if it were not for what I will call the danger—because I consider the danger—of the importation of aeroplanes from England at this particular time, which, to my mind, would unquestionably close the concerns manufacturing aeroplanes in this country, there would be no particular necessity for the immediate passage of this antidumping bill. I think the Senator was in the Chamber when I called it up a few days ago and made that statement.

Mr. THOMAS. No; I was in New York on that occasion. May I ask the Senator a question right there?

Mr. SMOOT. Certainly.

Mr. THOMAS. Is it not a fact that the aeroplane situation developed after this bill had reached the Senate and was under consideration?

Mr. SMOOT. Oh, no, Mr. President.

Mr. THOMAS. The first time I ever heard of it was in connection with this bill.

Mr. SMOOT. I will say to the Senator that we knew of that situation before the bill was ever reported to the Senate. The propaganda for the selling of aeroplanes in America developed, however, about the time we were considering this bill in the committee. I would like, of course, to save our manufacture of aeroplanes in the United States, if possible. I recognize that the importation of goods into the United States now is increasing each month. During the month of February of this year there was an increase of 100 per cent as compared with the importation of goods in the same month last year.

Mr. THOMAS. Does not the Senator approve of that? Is he not glad of it?

Mr. SMOOT. I was going to say, even if the Senator had not asked the question, that I am not objecting to the importation of any goods where they are imported normally, but we have a case in hand here, and I do not know but that if some action is not taken the manufacture of aeroplanes in this country will cease for a number of years to come.

Mr. NUGENT. Mr. President——

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

Mr. THOMAS. I yield.

Mr. NUGENT. I desire to ask the Senator from Utah if he does not believe that the aeroplane question could be satisfactorily taken care of through a separate bill?

Mr. SMOOT. Yes; I will say to the Senator that that could be done. I have not any doubt about it at all. But I do not want to have it understood that I am opposed in any way to an antidumping law. I think, Mr. President, if we go into this far enough I can demonstrate beyond the question of a doubt that it is necessary for the future development of our industries in this country, and the industries of the country would have been a great deal better off, and I think the dyestuffs bill never would have been before the Senate of the United States at this time, if we had had a real antidumping law in effect in the years past.

Mr. NUGENT. Mr. President, I desire further to ask the Senator if he does not believe that it would be good policy to recommit this bill to the Committee on Finance, with instructions to hold hearings, in order that we may ascertain the facts in connection with the manufacture of goods throughout the entire world, so far as they can be obtained, so that when the matter is finally considered by the Senate we will have something concrete upon which to base our conclusions?

Mr. SMOOT. The Senator's suggestion would be a wise one if we did not know already that the provisions of the bill do not affect the regular channels of trade in any way, shape, or form; I mean the honest channels of trade. When I say the honest channels of trade I expect the Senator immediately to think of the exportation of American goods to foreign countries where they have been sold in the past for less than the prices at which they were sold in this country. But in many of the countries to-day that can not be done, because of the very fact that they have protected themselves through antidumping legislation. I want America to protect itself; and I will say now that with the lack of goods in the world—and I say the world because I think that there is even a lack of them in the United States—if we produce enough of them in the United States competition itself will bring the price down to a reasonable figure. But with that lack of goods I do not think there is very much immediate danger. I take the same position as that taken by the Senator from Colorado, that as long as there is a shortage of goods in the world there is not very much chance of any country undertaking to dump any great quantity or any number of lines of goods in the United States.

I thank the Senator for yielding to me.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Missouri?

Mr. THOMAS. I yield to the Senator.

Mr. REED. Thanking the Senator from Colorado for his courtesy, I send the following amendment to the desk and ask to have it printed. It proposes to amend the pending bill by striking out the title and inserting in lieu thereof the following:

An act to perpetuate existing high prices and to encourage monopoly.

Mr. THOMAS. Mr. President, I yield the floor.

BENEFICIARIES OF VOCATIONAL TRAINING.

Mr. KENYON. Mr. President, I ask unanmous consent that the Senate take up the bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended by the act of July 11, 1919.

Mr. SMOOT. It will not lead to any debate?

Mr. KENYON. I think not. I will state that all there is involved in the bill is an amendment to the vocational rehabilitation act for the benefit of soldiers, increasing the amount for the maintenance of a soldier without dependents from $80 to $100 and of a soldier with dependents from $100 to $120.

While I say it increases the amounts, it is optional with the Vocational Board as to whether to allow that much. That is all there is to it. The bill has passed the House unanimously. There are a number of injured soldiers who want to take the vocational training who can not do so because the amounts allowed are not sufficient in certain cases to pay their expenses.

Mr. WARREN. I ask that the bill may go over until I may have an opportunity to examine it. I want to be certain, and I suppose the Senator would, of course, like to be certain, that the men may obtain through this Vocational Board enough to properly sustain them in every reasonable way, but not enough above the ordinary payments they would receive through their regular employment if or when well and at work, so that some men might take advantage and, instead of shirking, they might be working with those who are patriotically laboring in production for those who are not to be helped by the Vocational Board. I want men who, when well and able to work, will help in production rather than take advantage of the higher rate of pay accorded by a grateful Government to those who are in real need.

Mr. KENYON. I do not believe it is exactly an eleemosynary institution to help the men who have been disabled in this war to whom we are trying to give some chance in lines of industry which will prepare them to make a living.

Mr. SMITH of Georgia. Mr. President, if the Senator will permit me, I will state that the original bill provides that this act can only be extended to those who, on account of their physical injuries, can not pursue their original lines of work.

Mr. WARREN. But, Mr. President, I have been informed, and I wish to look it up a little, that some of the physicians who are getting $3 for each examination they make of these soldiers, and others, are passing them up for aid, examining them and reexamining them, for higher pay, and so forth, with-

No. 4); to the Committee on Appropriations and ordered to be printed.

7. A letter from the Secretary of the Treasury, transmitting proposed paragraph of legislation authorizing the payment of certain bills for advertising (H. Doc. No. 5); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriation required for the District of Columbia (H. Doc. No. 6); to the Committee on Appropriations and ordered to be printed.

9. A letter from the Secretary of the Treasury, transmitting estimate of appropriation required by the Coast Guard to pay a certain claim; to the Committee on Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. YOUNG: A bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money, and for other purposes; to the Committee on Ways and Means.

By Mr. COLE: A bill (H. R. 2436) to increase the limit of cost of the public building to be erected at Kenton, Ohio; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2437) to provide for the purchase of a site and the erection of a public building at Cheyrus, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. BUTLER: A bill (H. R. 2438) to provide for a site and public building at Coatesville, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. KING: A bill (H. R. 2439) to amend section 4 of the act of May 9, 1902, in regard to adulteration of butter; to the Committee on Agriculture.

Also, a bill (H. R. 2440) to provide for the segregation and care of men in the United States Army afflicted with mental and nervous maladies; to the Committee on Military Affairs.

Also, a bill (H. R. 2441) to provide for the establishment on the Mississippi River of fish-rescue stations, to be under the direction of the Bureau of Fisheries of the Department of Commerce; to the Committee on the Merchant Marine and Fisheries.

By Mr. LAMPERT: A bill (H. R. 2442) to authorize the establishment of aids to navigation and to improve the existing aids in Fox River, Lake Winnebago, and lakes and channels connecting therewith, in the State of Wisconsin; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2443) granting additional compensation to all soldiers, sailors, and marines, and others who served in the armed forces of the United States in the war against Germany and Austria; to the Committee on Ways and Means.

Also, a bill (H. R. 2444) providing for the purchase of a site and the erection thereon of a public building at Oshkosh, Wis.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2445) for the erection of a Federal building at Waupun, Wis.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2446) providing for the extension of the post office and public building at Fond du Lac, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. PARRISH: A bill (H. R. 2447) amending the act of February 25, 1920, entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain, and for other purposes"; to the Committee on the Public Lands.

By Mr. SANDLIN: A bill (H. R. 2448) providing for an increase of salary for the United States marshal and district attorney for the western district of Louisiana; to the Committee on Expenditures in the Department of Justice.

By Mr. SMITH: A bill (H. R. 2449) to amend an act entitled "An act to save daylight and to provide standard time for the United States," approved March 19, 1918; to the Committee on Interstate and Foreign Commerce.

By Mr. SINNOTT: A bill (H. R. 2450) to amend section 5 of the act approved March 2, 1919, entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes"; to the Committee on Mines and Mining.

By Mr. STINESS: A bill (H. R. 2451) giving permanent rank to district superintendents of the Coast Guard on the retired list; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON: A bill (H. R. 2452) to regulate the hours of duty of the officers and members of the fire department of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2453) providing for a site and public building for a post office at Sparta, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2454) to construct a public building for a post office at the city of Sandersville, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2455) providing for a site and public building for a post office at Tennille, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2456) to construct a public building for a post office at the city of Thomson, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. TILLMAN: A bill (H. R. 2457) to pay to Confederate soldiers and to the widows of Confederate soldiers $500 and $30 per month during the remainder of their lives; to the Committee on War Claims.

By Mr. LAZARO: A bill (H. R. 2458) for the relief of occupants of lands included in the Bellevue grant, in St. Landry Parish, La.; to the Committee on the Public Lands.

By Mr. BYRNS of Tennessee: A bill (H. R. 2459) to amend an act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes"; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2460) to provide for the reduction of mileage to actual transportation expenses of Representatives and Senators; to the Committee on Mileage.

Also, a bill (H. R. 2461) to establish a fish hatchery and biological station in the sixth congressional district of the State of Tennessee; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 2462) to amend section 162 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on the Judiciary.

Also, a bill (H. R. 2463) to relieve Congress from the adjudication of private claims against the Government; to the Committee on the Judiciary.

By Mr. TOWNER: A bill (H. R. 2464) providing for the purchase of a site and the erection thereon of a public building at Corning, in the State of Iowa; to the Committee on Public Buildings and Grounds.

By Mr. KAHN: A bill (H. R. 2465) to authorize the Secretary of the Treasury to cause to be erected a suitable building or buildings for marine hospital purposes on the present marine hospital site at San Francisco, Calif., and to remove all or any of the present structures on said site; to the Committee on Public Buildings and Grounds.

By Mr. LANHAM: A bill (H. R. 2466) to constitute Fort Worth, in the State of Texas, a port of entry and to extend to said port the privileges of section 7 of an act approved June 10, 1880, entitled "An act to amend the statutes in relation to immediate transportation of dutiable goods, and for other purposes"; to the Committee on Ways and Means.

By Mr. UPSHAW: A bill (H. R. 2467) to prevent the mobilization and cultivation of foreign sentiment on American soil, and for other purposes; to the Committee on the Judiciary.

By Mr. ARENTZ: A bill (H. R. 2468) to provide revenue for the Government and to promote the production of tungsten ores and manufactures thereof in the United States; to the Committee on Ways and Means.

By Mr. CRISP: A bill (H. R. 2469) to deport from the United States certain aliens who withdrew their declaration of intention to become citizens to evade military service, and to suspend all immigration to the United States until January 1, 1930; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2470) to provide for the entrance into the civil service of veterans of the war with Germany; to the Committee on Reform in the Civil Service.

By Mr. HAYDEN: A bill (H. R. 2471) to establish a fish hatchery and fish-cultural station in the State of Arizona; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 2472) to amend section 852, Revised Statutes of the United States, relating to jurors' fees; to the Committee on the Judiciary.

By Mr. FULLER: A bill (H. R. 2473) providing for the purchase of additional ground for enlargement of present site or for the purchase of a new site and enlargement of present building or the erection of a new building at the city of Rockford, in the State of Illinois, for the use and accommodation of the post office, Federal court, and other Government offices in said city; to the Committee on Public Buildings and Grounds.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *April 13, 1921.*

The House met at 12 o'clock noon.

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

Almighty God, we approach Thee with the beautiful memories that make life sweet; and these, with a gentle compulsion, lure us to acknowledge Thee to be our Father in Heaven.

Be Thou with Thy servants this day, and keep them to a high sense of responsibility in the performance of sacred duty, and enable us to work worthily of our origin and destiny; through Jesus Christ our Lord. Amen.

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

REQUEST TO PRINT REMARKS.

Mr. ASWELL. Mr. Speaker, I ask unanimous consent to print a memorial on the subject of road building, forwarded by the constitutional convention now in session in Louisiana.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to print in the RECORD a memorial in regard to road building, forwarded by the constitutional convention of his State. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, is there anything exceptional about this?

Mr. ASWELL. Yes: it is an earnest appeal to the Congress for action.

Mr. WALSH. Purely an earnest appeal?

Mr. ASWELL. Yes; by the constitutional convention which is now in session.

Mr. WALSH. I object.

The SPEAKER. Objection is made.

Mr. PARK of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech by Richard H. Edmonds, printed in the Manufacturers' Record, regarding the resources of the South.

Mr. McCLINTIC. Mr. Speaker, I object.

The SPEAKER. Objection is made.

EMERGENCY TARIFF.

Mr. YOUNG, from the Committee on Ways and Means, reported the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that I may be permitted to file, later in the day, the report to accompany this bill, and also that the gentleman from North Carolina [Mr. KITCHIN] from the minority be permitted to file the views of the minority.

Mr. GARNER. At any time up to 12 o'clock?

Mr. YOUNG. Yes.

The SPEAKER. The gentleman from North Dakota asks unanimous consent that up until midnight he and the gentleman from North Carolina [Mr. KITCHIN] may file reports. Is there objection?

There was no objection.

Mr. YOUNG. And that the reports be printed.

The SPEAKER. Is there objection?

There was no objection.

Mr. GARRETT of Tennessee. I wish to ask the gentleman a question for the information of the House. Is it the purpose to call up this bill for consideration to-morrow?

Mr. YOUNG. It is the purpose to call up this bill to-morrow and to have four hours of general debate, if the House consents, and that we take the bill up under the five-minute rule on the following day with the intention to pass it on that day.

Mr. GARRETT of Tennessee. It is not the purpose to try to conclude consideration of this bill to-morrow?

Mr. YOUNG. No.

Mr. GARNER. Let me remind the gentleman from North Dakota that the final agreement in the Ways and Means Committee, as I understood, was that we devote the entire day to-morrow to general debate and take up the bill under the five-minute rule on Friday.

Mr. YOUNG. I think there will be no objection to taking all of to-morrow for general debate, and taking the bill up under the five-minute rule on the following day to be passed before adjournment of that day.

REFERENCE OF PRESIDENT'S ADDRESS.

Mr. MONDELL. I move that the address of the President delivered yesterday be referred to the Committee of the Whole House on the state of the Union and ordered printed.

The SPEAKER. The gentleman from Wyoming moves to refer the address of the President to the Committee of the Whole House on the state of the Union and that it be printed. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. MONDELL. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 12 minutes p. m.) the House adjourned until Thursday, April 14, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriations, required by the Public Health Service, Treasury Department, for the National Home for Lepers (H. Doc. No. 7); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2, of Rule XIII.

Mr. YOUNG, from the Committee on Ways and Means, to which was referred the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, reported the same without amendment, accompanied by a report (No. 1), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 2867) to provide for a public building at Visalia, Calif.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2868) for the construction and erection of a post-office building at Modesto, Calif.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2869) to increase the limit of cost of the post-office building to be erected at Bakersfield, Calif.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2870) to confer upon commissioners of the United States district courts jurisdiction to try and determine misdemeanors, as defined by section 335 of the United States Penal Code adopted March 4, 1909; to the Committee on the Judiciary.

Also, a bill (H. R. 2871) to provide for a public building at Fresno, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. COOPER of Ohio: A bill (H. R. 2872) for the erection of a Federal building at Niles, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. CODD: A bill (H. R. 2873) providing for the appointment of an additional district judge in and for the eastern district of Michigan; to the Committee on the Judiciary.

By Mr. CLASSON: A bill (H. R. 2874) to authorize the establishment of a Coast Guard station on the coast of Green Bay at or in the vicinity of Strawberry Passage, in Door County, Wis.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2875) providing for the extension and enlargement of the post-office building at Appleton, Wis.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 2876) for the relief of the Wisconsin Band of Pottawatomie Indians, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 2877) conferring jurisdiction upon the Court of Claims to hear, examine, consider, and adjudicate the claim, including the right of enrollment, of any mixed-blood Menominee Indian who participated in the payment of the sum of $40,000 provided for in article 4 of the treaty with the Menominee Indians of October 18, 1848 (9 Stat. L., p. 952), or any descendant of such Indian, and for other purposes; to the Committee on Indian Affairs.

Edward J. Keenan.
Thomas J. Kilcourse.
Frank H. Fleer.
Romain B. Julian.
Irving E. Odgers.
Joseph Aschein.
Harry P. Smith.
Harry E. Darr.
William E. Quaster.
Elmer E. Liebensperger.
Charles W. Lavlett.
Francis Kane.
James J. Brennan.
Lester E. Power.
Clinton W. McLeod.
Charles A. Ingram.
Paul A. Lesser.
Edward Selby.
Chauncey H. Applegate.
Edward F. O'Day.
Jacob J. Resel.
James D. Waller.
Clifford Prichard.
Cyril W. Martyr.
Frank S. Gilman.
Ogbourne A. Hill.
Melvin E. Fuller.
Francis I. Fenton.
John W. Cunningham.
Charles H. Hassenmiller.
Ralph W. Luce.
Marshall Y. Chapman.
Harmon J. Norton.
Stanley Kios.
Willard R. Enk.
Minter L. Lowther.
Gerald C. Thomas.
Stephen Skoda.
Wilbur Summerlin.
Joseph F. Driscoll.
Adolph Stahlberger.
William P. Kelly.
Bert Van Moss.
Harry W. Miller.
Walter B. Casey.
Eric W. Ojerholm.
Monitor Watchman, jr.
Edgar G. Kirkpatrick.
Clarence H. Yost.
John T. Sheffield.
John D. O'Leary.
Clyde H. Hartsel.
Grover C. Darnall.
Delmar Byfield.
Charles Connette.
Arthur C. Small.
James Ackermann.
Henning F. Adickes.
Ralph C. Allburger.
Benjamin W. Atkinson.
William L. Bales.
Ralph C. Battin.
Frederick C. Biebush.
Edmund M. Callaway.
Gale T. Cummings.
Roy W. Conkey.
Terrell J. Crawford.
Howard B. Enyart.
George Esau.
William S. Fellers.
Augustus H. Fricke.
Julian N. Frisbie.
Carl Gardner.
Gordon Hall.
Guy B. Hall.
Frank W. Hanlon.
James B. Hardie.
Allen S. Heaton.
George L. Hollett.
Herbert S. Keimling.
Herman Kingsnorth.
Ralph D. Leach.
George W. McHenry.
William L. McKittrick.
Arthur A. Nelson.
Otto B. Osmondson.
John M. Patton, jr.
Charles W. Pohl.
Bernard W. Pravitz.
Stanley E. Ridderhof.
Edward A. Robbins.
David A. Stafford.
William J. Stamper.
Chesley G. Stevens.
Jay D. Swartwout.
George H. Towner.
George S. Van Riper.
Leslie H. Wellman.
Walter W. Wensinger.
Ervin R. Whitman.
Goodyear W. Kirkman.
Walter V. Brown.
Lawson H. M. Sandiferson.
Jacob F. Plachta.
Harold D. Rosecrans.
Louis F. Knorr.
Joseph L. Moody, jr.
Thomas M. Bryan.
Leo Sullivan.
Horace D. Palmer.
Duncan W. Lewis.
Hayne D. Boyden.
Franklin G. Cowie.
Christian F. Schilt.
Cornelius McFadden, jr.
Robert D. Foote.
Arthur J. Burks.
James S. Monahan.
John A. Bemis.
Raymond W. Hauser.

CONFIRMATION.

Executive nomination confirmed by the Senate April 1, (legislative day of April 13), 1921.

PUBLIC PRINTER.

George H. Carter, to be Public Printer.

HOUSE OF REPRESENTATIVES.

THURSDAY, *April 14, 1921.*

The House met at 12 o'clock noon.

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

Our Heavenly Father upon earth, Thy mercies elicit our new gratitude. We beseech Thee to give us this day honorable purpose that will enable us to do our work well. May nothing stand between our convictions and obedience, and be Thou our security of our best desires and our holiest loves; through Jesus Christ our Lord. Amen.

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

SWEARING IN OF A MEMBER.

Mr. BENHAM appeared at the bar of the House and took the oath of office prescribed by law.

EMERGENCY TARIFF.

Mr. YOUNG. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenues; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes; and pending that, Mr. Speaker, I wish to ask the gentleman from Tennessee if we can agree upon the time for general debate.

Mr. GARRETT of Tennessee. Mr. Speaker, I have just sent for the gentleman from North Carolina. I understood there was some agreement in the committee as to time. I will ask the gentleman from Michigan if there was any agreement reached in the committee in regard to the time for general debate.

Mr. FORDNEY. No; it was generally understood that we were to run to-day on general debate, but I want to suggest that we have four and a half hours of general debate and that it shall not extend beyond 5 o'clock. I think that will be agreeable to the gentleman from Texas, because I had a conversation with him and the gentleman from North Carolina [Mr. KITCHIN] at the same time, and the gentleman from North Carolina said he would refer the matter to the gentleman from Texas [Mr. GARNER].

Mr. GARRETT of Tennessee. If the gentleman can state that that was the understanding, I have no objection.

Mr. FORDNEY. The exact time of four and a half hours was not agreed upon, but it was agreed that general debate should run to-day. I want to limit it to four hours and a half.

Mr. LONGWORTH. May I suggest that the gentleman ask that the general debate be continued until 5 o'clock.

Mr. SABATH. I would like to ask the gentleman if it is the intention to adjourn at 5 o'clock or take up the bill under the five-minute rule.

Mr. FORDNEY. Oh, no; we will not take it up under the 5-minute rule until to-morrow. We want to conclude general debate to-day.

Mr. YOUNG. And pass the bill before adjournment to-morrow.

Mr. MONDELL. If this request is agreed to, the gentleman expects to take the bill up under the 5-minute rule to-morrow morning?

Mr. FORDNEY. Yes.

Mr. CAREW. It was the understanding in committee that general debate should continue to-day and that it should be taken up under the 5-minute rule to-morrow.

Mr. YOUNG. The understanding is that we shall complete the consideration of the bill to-morrow.

Mr. CAREW. That was not a part of the agreement. If the gentleman makes that request, there will be no objection from this side.

Mr. GARNER. Will the gentleman from Michigan state his request again; I was out for the moment.

Mr. FORDNEY. My request is to have general debate to-day, to be concluded at 5 o'clock p. m.

Mr. GARNER. Why conclude it at 5 o'clock?

Mr. FORDNEY. Because we want to get away from here at that time.

Mr. GARNER. Are you going to have a conference or a caucus this afternoon?

Mr. FORDNEY. That is rather a personal question. No; there is no Republican caucus, but I might have a caucus myself with other gentlemen.

Mr. GARNER. If it is a matter only of general debate, we ought to have all the general debate that we can get.

Mr. FORDNEY. This will give us five hours, or nearly five hours, and it seems to me that is long enough. Nearly every man in the House has spoken on every item in the bill and expressed himself on it heretofore.

Mr. GARNER. Let me suggest to the gentleman from Michigan this thought: That there is no reason why Members should not speak after 5 o'clock, if they desire, even though there may not be more than 25 or 30 Members present. Since there is no vote to be taken and no contest, it seems to me that we ought to have all the general debate that we can possibly get, as long as gentlemen want to speak on the bill.

Mr. GREEN of Iowa. If the gentleman will permit me, some of us are working very early and late on the permanent tariff bill, and at the same time the members of the committee feel

that they should stay here during general debate, and we might want to have a little time outside. It seems to me that this matter has been discussed so much that there is scarcely anything new that can be said on the subject.

Mr. GARNER. I have a great many requests for time, and it occurred to me that the gentleman from North Dakota could remain here——

Mr. YOUNG. I have not had many requests for time on this side, and I do not think there is any great desire for general debate on the bill.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent that the time for general debate be equally divided between Mr. YOUNG and the gentleman from Texas [Mr. GARNER], and let us run along and see what we can do to-day; the gentleman from North Dakota to control the time on this side and the gentleman from Texas [Mr. GARNER] on the minority side.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the time for general debate be equally divided between the two sides, one half to be controlled by the gentleman from North Dakota [Mr. YOUNG] and the other half by the gentleman from Texas [Mr. GARNER]. Is there objection?

Mr. MONDELL. Mr. Speaker, I think we ought to have an understanding as to when general debate is to close. The House is entitled to know when general debate is to close. The gentleman from Texas objects to general debate being closed at 5 o'clock, but that is about as late as Members care to stay in the House. If we attempt to carry general debate beyond that time, some one will be making the point of no quorum; and this request means five hours, practically, of general debate.

Mr. GARNER. Why not say not later than 5.30?

Mr. MONDELL. I think there would be no objection to that, that general debate shall not be continued beyond 5.30.

The SPEAKER. The gentleman from Michigan modifies his request that general debate shall not extend later than 5.30 o'clock this afternoon. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, the gentleman from Michigan stated that every Member in the House had spoken and voted upon every provision of this bill. I want to remind him that there are 121 new Members here who have never voted upon any bill.

Mr. FORDNEY. But they are real modest and do not care to talk about a matter so well settled and so thoroughly understood as that presented in this bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The question is on the motion of the gentleman from North Dakota that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2435, the emergency tariff bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2435, with Mr. CAMPBELL of Kansas in the chair.

Mr. YOUNG. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

Mr. McCLINTIC. Mr. Chairman, reserving the right to object, this is a short bill and none of us has seen a copy of it until this morning. I think the bill ought to be read.

Mr. GARNER. Mr. Chairman, may I suggest to the gentleman from Oklahoma that the bill must be read under the five-minute rule? Printed copies of the bill can be had. We want to have as much general debate as possible.

Mr. McCLINTIC. Very well.

The CHAIRMAN. Is there objection?

Mr. WINGO. Mr. Chairman, reserving the right to object, of course, if gentlemen insist upon dispensing with the reading I shall not object, but I think the gentleman from Michigan [Mr. FORDNEY] is very much in error in saying that this is an identical bill with that which we passed in the last session. I have read it just once, but it is quite different from the other bill.

Mr. FORDNEY. How does it differ? It limits the operation to 6 months instead of to 10.

Mr. WINGO. Oh, no; there are other differences.

Mr. FORDNEY. That is all the difference there is in the tariff bill. The antidumping matter is something that was disposed of here without a record vote.

Mr. WINGO. Mr. Chairman, it is so apparent that the gentleman has not read the bill that I shall object to dispensing with the first reading of it. The bill is certainly different from that which was passed in the last session.

The CHAIRMAN. The gentleman from Arkansas objects.

Mr. WINGO. I want the RECORD to show what it is, because it is different.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc.—

TITLE I.

EMERGENCY TARIFF.

That on and after the day following the passage of this act, for the period of six months, there shall be levied, collected, and paid upon the following articles, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila), the rates of duty which are prescribed by this section, namely:

1. Wheat, 35 cents per bushel.
2. Wheat flour and semolina, 20 per cent ad valorem.
3. Flaxseed, 30 cents per bushel of 56 pounds.
4. Corn or maize, 15 cents per bushel of 56 pounds.
5. Beans, provided for in paragraph 197 of the act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913, 2 cents per pound.
6. Peanuts or ground beans, 3 cents per pound.
7. Potatoes, 25 cents per bushel of 60 pounds.
8. Onions, 40 cents per bushel of 57 pounds.
9. Rice, cleaned, 2 cents per pound, except rice cleaned for use in the manufacture of canned foods, on which the rate of duty shall be 1 cent per pound; uncleaned rice, or rice free of the outer hull and still having the inner cuticle on, 1½ cents per pound; rice flour and rice meal, and rice broken which will pass through a No. 12 wire sieve of a kind prescribed by the Secretary of the Treasury, one-fourth of 1 cent per pound; paddy, or rice having the outer hull on, three-fourths of 1 cent per pound.
10. Lemons, 2 cents per pound.
11. Oils: Peanut, 20 cents per gallon; cottonseed, coconut, and soya bean, 20 cents per gallon; olive, 40 cents per gallon in bulk, 50 cents per gallon in containers of less than 5 gallons.
12. Cattle, 30 per cent ad valorem.
13. Sheep: One year old or over, $2 per head; less than 1 year old, $1 per head.
14. Fresh or frozen beef, veal, mutton, lamb, and pork, 2 cents per pound. Meats of all kinds, prepared or preserved, not specially provided for herein, 25 per cent ad valorem.
15. Cattle and sheep and other stock imported for breeding purposes shall be admitted free of duty.
16. Cotton having a staple of 1⅛ inches or more in length, 7 cents per pound.
17. Manufactures of which cotton of the kind provided for in paragraph 16 is the component material of chief value, 7 cents per pound, in addition to the rates of duty imposed thereon by existing law.
18. Wool commonly known as clothing wool, including hair of the camel, angora goat, and alpaca, but not such wools as are commonly known as carpet wools: Unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound. Unwashed wools shall be considered such as shall have been shorn from the animal without any cleaning; washed wools shall be considered such as have been washed with water only on the animal's back or on the skin; wools washed in any other manner than on the animal's back or on the skin shall be considered as scoured wool. On wool and hair provided for in this paragraph, which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.
19. Wool and hair of the kind provided for in paragraph 18, when advanced in any manner or by any process of manufacture beyond the washed or scoured condition, and manufactures of which wool or hair of the kind provided for in paragraph 18 is the component material of chief value, 45 cents per pound in addition to the rates of duty imposed thereon by existing law.
20. Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75°, one and sixteen one-hundredths of 1 cent per pound, and for every additional degree shown by the polariscopic test, four one-hundredths of 1 cent per pound additional, and fractions of a degree in proportion; molasses testing not above 40°, 2½ per cent ad valorem; testing above 40° and not above 56°, 3½ cents per gallon; testing above 56°, 7 cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscopic test.
21. Butter, and substitutes therefor, 6 cents per pound.
22. Cheese, and substitutes therefor, 23 per cent ad valorem.
23. Milk, fresh, 2 cents per gallon; cream, 5 cents per gallon.
24. Milk, preserved or condensed, or sterilized by heating or other processes, including weight of immediate coverings, 2 cents per pound; sugar of milk, 5 cents per pound.
25. Wrapper tobacco and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco, and all leaf tobacco the product of two or more countries or dependencies when mixed or packed together, if unstemmed, $2.35 per pound; if stemmed, $3 per pound; filler tobacco not specially provided for in this section, if unstemmed, 35 cents per pound; if stemmed, 50 cents per pound.

The term "wrapper tobacco" as used in this section means that quality of leaf tobacco which has the requisite color, texture, and burn, and is of sufficient size for cigar wrappers, and the term "filler tobacco" means all other leaf tobacco.

26. Apples, 30 cents per bushel.
27. Cherries in a raw state, preserved in brine or otherwise, 3 cents per pound.
28. Olives, in solutions, 25 cents per gallon; olives, not in solutions, 3 cents per pound.

SEC. 2. The rates of duty imposed by section 1 (except under paragraphs 17 and 19) in the case of articles on which a rate of duty is imposed by existing law shall be in lieu of such rate of duty during the six months' period referred to in section 1.

SEC. 3. After the expiration of the six months' period referred to in section 1, the rates of duty upon the articles therein enumerated shall be those, if any, imposed thereon by existing law.

SEC. 4. The duties imposed by this title shall be levied, collected, and paid on the same basis, in the same manner, and subject to the same provisions of law, including penalties, as the duties imposed by such act of 1913.

SEC. 5. That this title shall be cited as the "emergency tariff act."

TITLE II.

ANTIDUMPING.

SEC. 201. That the term "United States" wherever used in this title shall mean the United States and any Territory or place subject to the jurisdiction thereof, except the Philippine Islands, the islands of Guam and Tutuila, the Virgin Islands, and the Panama Canal Zone.

SEC. 202. That the term "person" wherever used in this title means and includes any individual, partnership, corporation, association, or other body.

SEC. 203. That the term "foreign home value" wherever used in this title means the value plus the cost, when not included in such value of packing and packing charges, at which such or similar merchandise comparable therewith in material, quality, and use is freely offered for sale in the principal market or markets of the country of exportation for consumption or use in said country in the ordinary course of trade and in the usual or fair average wholesale quantities that the same kind or class provided for in this title is freely offered for sale in the United States, and shall not include any excise tax levied against such merchandise.

SEC. 204. That the words "the value to countries other than the United States" wherever used in this title mean the value plus the cost, when not included in such value of packing and packing charges at which such or similar merchandise comparable therewith in material, quality, and use is freely offered for exportation to countries other than the United States in the principal market or markets of the country of exportation in the ordinary course of trade and in the usual or fair average wholesale quantities that the same kind or class provided for in this title is sold in the United States: *Provided*, That any import duties rebated or not paid by reason of the exportation of such merchandise from the country of production or sale to the country other than the United States shall be added to the export price.

SEC. 205. That the term "cost of production" wherever used in this title means the cost of labor and material of the merchandise exported to the United States at the time of production plus the actual general expenses and a profit which is usually and ordinarily added to the cost of labor, material, packing charges, and general expenses by manufacturers in the country of production of merchandise similar in material and production or manufacture.

SEC. 206. That the term "sales price" wherever used in this title means—

(a) The price plus the cost, when not included in such price, of the package and the packing charges at which the person in the foreign country or his agent sells the merchandise to the person in the United States or his agent: *Provided*, That the person in the United States has no financial or other interest in the business of the person in the country of exportation shipping or selling the merchandise to the person in the United States.

(b) If it shall appear to the satisfaction of the appraiser, or the person acting as such, that the person in the United States, buying directly or through his agent in the United States or through a foreign agent, has any financial or other interest in the business of the person in the country of exportation shipping or selling the merchandise to the person in the United States, the appraiser, or the person acting as such, will secure from the person in the United States a sale price in the United States of the imported merchandise plus the cost, when not included in such price, of the package and the packing charges, and compare this price after due allowance has been made for all expenses included in said price incurred from the place of manufacture or purchase in the foreign country to the place of delivery in the United States with the sales price that the person importing the merchandise pays or has agreed to pay to the foreign shipper, manufacturer, or owner and report to the collector as the sales price the lower of the two.

(c) If the merchandise imported into the United States has been procured from the foreign owner, manufacturer, or shipper otherwise than by purchase, the sales price plus the cost, when not included in such price, of the package and the packing charges, will be the price at which the person importing the merchandise sells or agrees to sell the merchandise in the United States plus the cost, when not included in such price, of the package and the packing charges, packed ready for shipment, either prior or subsequent to the date of importation, less all expenses, included in said price incurred from the place of shipment or manufacture in the foreign country to the place of delivery in the United States.

SEC. 207. That whenever merchandise, whether dutiable or free, is exported to the United States, of a kind or class identical or comparable in material, quality, or use with a kind or class made or produced wholly or in part in the United States, or with a kind or class sold in competition with merchandise made or produced wholly or in part in the United States, and the sales price of any such is less than the foreign home value, or in the absence of such value is less than the value to countries other than the United States, or in the absence of both such values is less than the cost of production, there shall be levied, collected, and paid in addition to the duties on imported merchandise prescribed by law a special duty in an amount equal to the difference, at the time of exportation, between the sales price and the foreign home value or the value in the countries other than the United States or the cost of production, whichever may be the highest, as the case may be: *Provided*, That whenever the sales price of merchandise imported into the United States, which has been procured from the foreign owner, manufacturer, shipper, or agent otherwise than by purchase, is not at the time of entry for consumption fixed or agreed to be fixed and determined, a bond shall be given under regulations to be prescribed by the Secretary of the Treasury, conditioned that upon and as soon as the sales price thereof shall be fixed and determined by bona fide sale or agreement for sale, notice shall be given and evidence thereof submitted that the additional duties herein provided will, as ascertained, fixed, and liquidated, be paid: *Provided further*, That no sale or pretended sale or sales shall be held to establish "value" as herein provided; and that to constitute any such value having regard to the customs and usages of trade, there must be a reasonably extended and continued course of sales in substantial wholesale quantities sold or offered for sale to all purchasers on equal terms under like conditions.

SEC. 208. That the appraiser, or the person acting as such, shall report and return to the collector his "decision" as to the foreign home value, or the value to countries other than the United States, or the cost of production, as the case may be, and the sales price. That the collector or person acting as such shall ascertain, fix, and liquidate the amount of additional duties herein provided, which action shall be deemed and held to be the "decision" of the collector.

SEC. 209. That the provisions of section 3 of an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913, and of the Judicial Code, relating to the authority, duties, and decisions, of appraising officers, general appraisers, and appeals from the decisions thereof, and of the Board of General Appraisers, and to the duties and decisions of collectors, protests of the decisions thereof, and to appeals from the decisions of a board of general appraisers to the United States Court of Customs Appeals shall be, and the same are hereby, made applicable to the "decision" of the appraiser and collector by this title authorized and provided.

SEC. 210. That if any person engaged in the manufacture, production, or importation of merchandise into the United States or engaged in dealing in such imported merchandise, directly or indirectly, shall fail or refuse to submit for inspection of a duly accredited investigating officer of the United States upon request so to do from or by the collector, appraiser, general appraiser, Board of General Appraisers, or any person duly acting as or for such, or any other officer of the United States customs duly authorized by law, any or all of his books or records, accounts, documents, or other papers pertaining to the value or classification of any such imported merchandise, then the Secretary of the Treasury, while such failure or refusal continues, shall direct the collector of customs to withhold delivery of the particular importation the subject of investigation and also prohibit the future importation of any merchandise into the United States, directly or indirectly, by or for the individuals, partnerships, corporations, or associations, their agents or representatives, so refusing, and by or for the particular individuals, partnerships, corporations, or associations, their agents or representatives, importing the particular merchandise into or exporting the same to the United States, and if the importer or his agent shall continue to refuse to comply with the requirements of this title for a period of one year from the date of importation, the collector shall cause the imported merchandise to be sold at public auction as in the case of seized goods.

SEC. 211. That the statement accompanying the invoice, or statement in the form of an invoice, of merchandise described in section 207 of this title shall contain, in addition to the facts and details required by existing law, the foreign home value, or, in the absence of such value, the value to countries other than the United States, or, in the absence of both such value, the cost of production, as the case may be. That the declaration to be filed with and as a part of the entry shall set forth, in addition to the facts and details required by existing law, whether or not the merchandise has been sold or agreed to be sold; and if so, to whom, the place where, the time when, and price at which said merchandise was sold or agreed to be sold.

SEC. 212. That if any person engaged in the manufacture, production, or importation of merchandise into the United States shall give or receive a rebate or concession from the sales price whereby the United States shall be deprived of the lawful duties or any portion thereof accruing upon the merchandise, or any portion thereof, without notifying the collector of such rebate or concession from the sales price, either at time of entry or afterwards, he shall upon conviction be fined for each offense a sum not exceeding $5,000 or be imprisoned for a time not exceeding two years, or both, in the discretion of the court; and the collector of customs, or the person acting as such, at the port where such merchandise shall have been entered shall have the power, and is hereby authorized, to reliquidate such entry and assess duty, as provided by this title or by existing law, upon such merchandise, and any provision of existing law inconsistent with this provision is hereby accordingly amended.

SEC. 213. That the special duty herein provided for shall be treated in all respects as regular customs duties within the meaning of sections 2977 and 3015 of the Revised Statutes and paragraph O of section 4 of the tariff act of October 3, 1913, and all other statutes providing for drawback customs duties upon exportation of imported merchandise or articles manufactured or produced in the United States with the use of imported merchandise.

SEC. 214. That section 25 of an act entitled "An act to reduce taxation, to provide revenue for the Government, and for other purposes," approved August 27, 1894, be, and is hereby, amended by adding thereto a further proviso, so as to read, when so amended, as follows:

"SEC. 25. That the value of foreign coin as expressed in the money of account of the United States shall be that of the pure metal of such coin of standard value; and the values of the standard coins in circulation of the various nations of the world shall be estimated quarterly by the Director of the Mint and be proclaimed by the Secretary of the Treasury immediately after the passage of this act and thereafter quarterly on the 1st day of January, April, July, and October in each year. And the values so proclaimed shall be followed in estimating the value of all foreign merchandise exported to the United States during the quarter for which the value is proclaimed, and the date of the consular certification of any invoice shall, for the purposes of this section, be considered the date of exportation: *Provided*, That the Secretary of the Treasury may order the reliquidation of any entry at a different value, whenever satisfactory evidence shall be produced to him showing that the value in United States currency of the foreign money specified in the invoice was at the date of certification at least 10 per cent more or less than the value proclaimed during the quarter in which the consular certification occurred: *Provided further*, That in the estimation and liquidation of duties upon any imported merchandise the collector of customs, or person acting as such, shall not in any case estimate the depreciation in currency at more than 6⅔ per cent."

SEC. 215. That this title shall be cited as the "antidumping act."

SEC. 216. That the Secretary of the Treasury is authorized and directed to prescribe such rules and regulations as may be necessary for the enforcement of this title.

Mr. YOUNG. Mr. Chairman and gentlemen of the committee, the gentleman from North Carolina [Mr. KITCHIN], who, I am very sorry to say, is not on the floor at this time, detained by illness, seems to think, from his report of the views of the minority, that there is some political significance in respect to the change of the name of this bill. I call the attention of the committee, first of all, to the fact that this is very largely a new bill. In addition to the emergency tariff, so called, covering agricultural products, we have added a very important provision in respect to the dumping of foreign merchandise on our markets, and also a still more important provision in respect

to the regulation of the value of foreign money. I regret that I was not able to read the views of the minority prepared by the gentleman from North Carolina, because they did not come to my attention until a few moments ago. I notice, however, by the morning paper Mr. KITCHIN was quoted as having said that the provision last referred to is a joker. A joker is supposed to be something hidden or concealed in a bill. If the Members will read the views of the majority, as contained in the report prepared by me and filed yesterday, they will find that special attention was called to that feature of the bill and attention was called to its probable operation and effect.

The bill is still emergent in character all the way through, every paragraph of it. It has simply been enlarged in scope.

Our friends across the main aisle have never seemed to quite make up their minds whether a tariff on wheat will raise the price and make living dearer or would have absolutely no effect at all. In every debate we have ever had on this subject we have always had representatives of both views on that side of the aisle. Those of us who come from the West would rather be considered selfish than foolish. We entertain the view that a tariff on wheat will be of distinct value to the wheat raisers of the country. If we did not believe so, we would not ask for this duty. It ought not to be considered selfish, however, to ask protective duties upon farm products when other industries, to which farmers pay tribute, are protected.

The consideration of a few outstanding facts in respect to wheat, it seems to me, will completely dissipate the idea that a duty on that commodity is of no value. Up to the time that wheat was put on the free list we seldom had a term of United States court in North Dakota when there was not some one there charged with smuggling wheat into the United States. Men do not take the risk of being arrested, tried, and sent to prison for nothing. That fact ought to have some significance.

There are three great transcontinental railroads in Canada—the Canadian Pacific, the Grand Trunk, and the Canadian Northern. Naturally those roads want to have the long hauls, and naturally the Government of Canada and the people of that country want to see the grain hauled on those lines east and west, particularly now since large portions of those roads are owned by the Government of Canada. In spite of the fact that it would be natural for them to stand for a long haul on the east and west Canadian railroads, the wheat has been coming straight south to the railroads of the United States, and there has been a constant flood of wheat importations. The great bulk of the western wheat in Canada has been coming south to and over the roads of the United States, instead of going east over their own transportation lines. If that means anything, it means that we have a better market for wheat here than Canada can find, either in Canada or abroad, when shipped direct from their country. From September 1, 1920, to December 31, 1920, 37,800,000 bushels of wheat were shipped into the United States for domestic consumption. We notice at times flippant remarks in the newspapers about how this wheat is simply going through the country in bond for a foreign destination. These figures were obtained from the Secretary of Agriculture and were prepared by the Bureau of Markets and declared to be all for consumption in the United States. In January and February 6,800,000 bushels of wheat came in, making a total importation up to the end of February from September 1, 1920, of over 44,000,000 bushels of wheat. Quite a little has come in since. Still more important is the fact that there are over 20,000,000 bushels of wheat at Port Williams and at Port Arthur awaiting shipment just as soon as navigation opens, also 13,000,000 bushels in storage west of there in Canada. Mr. Wylie Nielson, of Valley City, N. Dak., has sent me a large number of newspaper clippings indicating these market movements, and prints in large letters at the end these words, "Rush relief before it is too late."

Mr. J. E. Davis, of Goodrich, N. Dak., wired me recently, saying a large convention at Devils Lake had passed resolutions urging the passage of emergency tariff legislation with all possible speed.

A telegram has just been handed to me from H. N. Owen, editor of the Farm, Stock, and Home, Minneapolis. Mr. Owen has made a life-long study of marketing. He says:

> In January Minneapolis millers bought Canadian wheat for future delivery. They knew there was not enough millable spring wheat here to supply needs to new crop. Forty-three million bushels Canadian wheat has come in for United States consumption on this crop year. More than twice our present visible supply. Unless Canadian wheat is embargoed a drastic cut in wheat acreage certain. A 50-cent advance in wheat would cost a family of five $12.50 a year. Eight hundred million crop adds $400,000,000 to purchasing power of farmers. Steady employment at good wages offset increased bread price.

Now, just one other thought in respect to wheat. The statistics of the Department of Agriculture show that it cost one-third less to raise wheat in Canada than in the United States. That should be borne in mind as a justification for this duty. It is also important to bear in mind the matter of exchange which——

Mr. HARDY of Texas. Will the gentleman answer one question?

Mr. YOUNG. If it is very brief.

Mr. HARDY of Texas. How much wheat was exported by the United States at the time of these imports and during the same period?

Mr. YOUNG. Very much more than we imported, and that is why a great many people have fallen into the mistake of believing it is of no value for us to have a duty on wheat.

Mr. HARDY of Texas. Will the gentleman answer one other question?

Mr. YOUNG. Very well.

Mr. HARDY of Texas. This exported wheat may be taken out of the imported wheat and a rebate gotten for the duty paid on it, may it not? In other words, the exporter of the imported wheat will get a rebate of 99 per cent of the taxes he may pay.

Mr. YOUNG. That is possible from the legal standpoint under the drawback law but it is very little used in the United States. The amount of business done under the drawback is negligible.

Mr. KNUTSON. And there is a difference in the exchange.

Mr. YOUNG. Yes; I will come to that if I have time. The facts I have been giving you, I think, demonstrate beyond any doubt, in spite of the fact we export more wheat than we import, that our market in the United States is decidedly better than the Canadians can find, either in their own country or abroad.

I was going to speak of the price of bread. Notwithstanding the fact that the price of wheat has been cut in half, the price of bread remains the same in most of the cities, and it is highly improbable that the passage of this law will make bread dearer. The effect in respect to the cost of other items in the bill, to the consumers, will be similar.

Now, in respect to flax. That is a good deal easier to consider because even my friend from Texas can not say that we have exported any.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. YOUNG. I can not very well as I want to leave some time for others favoring the bill. The annual consumption of flax in the United States is 25,000,000 bushels. We imported 24,000,000 bushels in 1920. In other words, we imported all of our needs excepting 1,000,000 bushels. We raised in this country last year about 11,000,000 bushels. That leaves 10,000,000 bushels of flax to flood this market and depress the price.

The CHAIRMAN. The gentleman has consumed 10 minutes.

Mr. YOUNG. As the time is in my control, I shall proceed for five additional minutes. I will give you a few figures to just show how this works out to the man who raises flax. The total acreage of the United States was 1,785,000 acres in 1920. The total production was 10,990,000 bushels, giving an average yield per acre of 6.2 bushels. About one-third of that flax was grown in North Dakota. The average there was 5.3 bushels per acre. The last quotations, which reached me last night, in the Grand Forks Herald, gives the price at $1.22 for flax. That would mean $6.47 per acre as the gross return from flax; $6.47 per acre is scandalously below the cost of production. The average cost of raising flax in North Dakota was $15.70 per acre, according to the United States Bureau of Markets. The cost in Minnesota was $21.40 per acre. Think of that, you Members from Minnesota!

The situation in respect to live stock is of a highly emergency character. During the winter of 1918 and 1919 there was very little snow in the Northwest and in the Mountain States, and in the following summer there was a very severe drought which dried up the pastures and meadows, and during the winter of 1919–20 there was need for buying hay and other feed to winter the stock. It is true that during the war the growers of live stock had been able to do fairly well and to accumulate something, but during that winter they had to buy hay that used to cost $4 to $6 a ton and pay $20 to $25 a ton. So that in the spring of 1920 it was a very rare stock raiser of the West who did not owe more to the bank than his stock was worth after the slump came. In other words, after the price of live stock and meat had been deflated, the stock was mortgaged for more than it was worth, and it was impossible for the banks to secure liquidation. I want to call attention to the fact that we imported during 1920 over 101,000,000 pounds of lamb and mutton; also that the cost in the United States for raising lamb and mutton is 24 cents per carcass pound. In New Zealand the cost is 14 cents per carcass pound, or 10 cents per

pound less. The duty carried in this bill is only 2 cents per pound.

Attention is further called to the fact that we have now two full years' supply of wool in this country. We not only have this immense supply of wool in this country, which has practically made wool unsalable—a man can not sell wool to-day for anything even if it is supposed to have some nominal value, but there is nobody buying it—and on top of that there are 100,000,000 pounds of wool loaded on ships and headed for United States ports.

The CHAIRMAN. The gentleman has used 15 minutes.

Mr. YOUNG. I shall conclude in five minutes. These are some of the reasons why we are anxious to speed the passage of this bill. It would require hours to detail all of them.

Mr. JOHNSON of Mississippi. Will the gentleman yield for a question?

Mr. YOUNG. I can not yield very well. I must save time for gentlemen on this side. I do not desire to rob them.

Mr. JOHNSON of Mississippi. That is, the gentleman will yield to Republicans?

Mr. YOUNG. I have yielded to your side for questions and have tried to be courteous. The gentleman from Texas [Mr. GARNER] has control of one-half of all the time for general debate.

Here is an extract I cut out of the newspaper yesterday showing that five banks have closed in one day in Idaho and Washington. It goes on to give the names of the banks that have closed in those two States, one of them a national bank.

The reason given for closing these five banks is contained in the last three lines, where it says that the inability to realize on farm paper was the reason assigned for each closing. The fact is that farm products have been deflated to such an extent that mortgages taken upon them at the time they were given, presumably for only a proper portion, from the security standpoint of the value have now reached the point where the banks do not foreclose because they could get practically nothing out of the stock if sold after paying the freight. One instance is given of a shipment from Idaho, where, after paying the freight and all other charges, they got 33 cents a head for lambs shipped to Chicago.

The Secretary of Agriculture, Mr. Wallace, has just sent up a telegram which he received from Chicago showing that May wheat dropped 4½ cents and corn 1¾ cents yesterday upon the receipt of news that navigation was to open at Port Williams and Port Arthur and further shipments of wheat were to come from Canada. Mr. Wallace in his letter to me says this:

I inclose herewith our regular market telegram from Chicago to-day. I call your attention to the sentence marked showing that parties in Winnipeg, "Wired country holders liquidating wheat in effort to rush into United States in anticipation proposed tariff bill." I am told by our markets people that informal advice indicates that the first boats may leave from Port Williams and Port Arthur as early as April 21.

That is another reason why we will ask the House to sit to-morrow long enough to pass this bill before we adjourn. We want to set an example for the other end of the Capitol of speedy action in respect to this bill, which is of a very high emergency characrer. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I desire to speak on a subject which is closely connected with that which we are discussing to-day, and yet is not the emergency tariff bill. I would that others more capable could have undertaken it, but I do not believe I have any right to remain silent in view of conditions that should be disclosed to the House at this time.

A day or so ago the President of the United States said in his message that we will be obliged to raise $4,000,000,000 annually to carry on the affairs of government, and he gave the Treasury as authority for that statement, and we realize that to be the fact. If we raise $4,000,000,000, based upon the estimates of 1922, and cut down the Military and Naval Establishments, as was proposed in the last session of the Congress, we will have nearly nine hundred millions of excess that can be saved over expenditures out of that $4,000,000,000. But there is an effort being made—and possibly successful—made—to repeal the excess-profits tax and reduce the surtaxes on incomes. If that passes, it will wipe out the balance of $900,000,000. In 1921 the excess-profits tax and personal income tax will produce $3,050,000,000, and estimates in 1922 are $2,600,000,000, or two-thirds of our total income. Of this amount excess profits contribute nearly one-third.

A number of proposals have come from the Secretary of the Treasury to meet the loss we will suffer of $900,000,000 or more that will be taken out of excess-profit taxes and reduced surtaxes. One of these propositions, as you may understand, and as has been suggested in the bill of the gentleman from Ohio [Mr. LONGWORTH], seems to me can not be successfully attacked. It proposes to raise an additional amount of $400,000,000 or more by a 6 per cent annual tax upon the net incomes of corporations. Another proposal, which came from ex-Secretary Houston, is to raise in the neighborhood of $600,000,000 from a tax on undistributed profits at 20 per cent, as estimated by him.

I will not discuss the different proposals in detail, but I am showing herewith a number of different methods of raising this tax that can be adopted, amounting in all to $2,500,000,000, if the Congress sees fit to adopt them.

Additional annual revenue proposals before Congress.

Tariff increase	$350,000,000
Increase of corporation normal tax, 6 per cent	465,000,000
Undistributed profits tax, 20 per cent	190,000,000
Income released thereby for income tax	400,000,000
Automobile license, 50 cents per horsepower	100,000,000
Cigarette increased tax, $2 per 1,000	70,000,000
Admission to theaters increase, 10 per cent	70,000,000
Gasoline increase, 2 cents per gallon	90,000,000
Miscellaneous (p. 45, Treasury Report)	300,000,000
	2,035,000,000

These are proposals of Secretary Houston, contained in his 1920 report, to which may be added $1,000,000,000 balance in excess receipts over disbursements for 1922, if military and naval bills are cut to proposed reduction.

The increase of normal tax above could only be considered if the excess-profits tax is repealed.

Additional proposals are:

Increase normal income tax, estimated	$150,940,000
Abolishing corporation $2,000 exemption	58,000,000
Stamp taxes, National Tax Committee	130,000,000
Sugar, 2 cents per pound, National Tax Committee	200,000,000
Total	2,574,000,000

These estimates do not include interest on foreign loans or other items, like increased postage to 3 cents, reaching several hundred million dollars more annually, whereas no new tax law is needed unless we repeal existing laws.

These propositions are before the Congress to-day. But there is an element, not in the House particularly, but in the country, that is insisting on a tax on everything we eat, drink, or wear through a turnover sales tax, and effort is being made to put that through at this time. I want to discuss that proposal briefly.

Let me say, first, that the National Industrial Conference Board, which represents millions of dollars in capitalization and represents millions of men in its employ, has reported, through its committee, against this tax. The United States Chamber of Commerce Tax Committee, similarly constituted, representing all of the chambers of the United States, has reported against that tax, and so has the National Credit Men's Association. What do you suppose would be the verdict if it was submitted to the millions and millions of farmers and men working in the factories and shops to-day, as well as the clerks and others, if they were to decide upon paying the tax that is to be shifted from the excess profits? That is the proposition proposed at this time.

Now, I have to-day on my desk 145 letters received from candy makers alone demanding a sales tax. I have between 500 and 600 from jewelers, from druggists, from various classes of people who want to have the tax shifted from them over on the backs of the people of the country, and therefore demand a sales tax. We have newspapers and pamphlets galore for a sales tax. Let me read to you from some of them, so that you will understand the extent of the propaganda.

Here is a full-page advertisement headed "The bubble has burst." It is from the Wall Street Journal that editorially has criticized me severely for the position I have taken against a sales tax. I want to call your attention to the words of this full-page advertisement. And I understand it was carried in other papers throughout the country.

On page 7 of the Wall Street Journal of March 17, 1921, it says:

M. Francois-Marsal, the banker finance minister, is credited with having discovered a veritable philosopher's stone in the new tax on turnover. The yield is already proving unexpectedly satisfactory, and there appears to be every reason that it will produce a much greater amount than had been anticipated in the budget estimates.

As a matter of fact every intelligent man familiar with the French sales tax—and the man who wrote that is intelligent—knows that only 37 per cent of sales-tax estimates is being collected in France.

If France is unsuccessful how can we hope for different results? In France the budget estimates of 487,000,000 and 413,000,000 francs for January and February fell down to 187,000,000 and 151,000,000 for those months as stated, or to 37 per

cent of estimates, and are dropping proportionately every month. In the April monthly letter, Hamilton Institute, I quote a French cable:

The yield of the French business turnover tax, which became effective July 1, 1920, has proved decidedly disappointing. * * * The measure has proved cumbersome and unpopular. * * * In each month so far the proceeds have been less than those of the preceding month.

The "letter" further says:

The Government can not cope with the present crises unless payments of the indemnity are soon forthcoming. * * * France has been less progressive in her tax legislation than England and the United States. She depends less upon the taxation of individual and corporation incomes and more upon sales taxes and other obsolete methods of collecting revenue.

In cable March 27 (Washington Post) it says of the French economic crisis:

This it is asserted here is not due to overproduction, but instead to willful underconsumption as a result of prevailing high prices which are likely to continue.

HIGH PRICES, UNDERCONSUMPTION, AND DISTRESS FOLLOW THE SALES TAX.

The above contains a clean-cut survey of the experience of the only large country which has adopted a turnover sales tax.

The Philippine sales tax offers no solution. Receipts in 1919 were $6,865,624 (₱13,731,248) and in 1920 $7,521,000 (₱15,042,000) collected from 10,500,000 people, or about 75 cents per capita. That rate is 1 per cent. (Sec. 1459 P. I.)

The Smoot rate of 1 per cent would bring 75 cents per capita, or about $75,000,000, in this country at same proportionate consumption. It is useless to speculate how much more we would consume. These are the figures. As well compare a skiff on a mill pond or on a large lake subject to heavy winds and waves as to compare the Philippines with a nominal budget and ours with $4,000,000,000 annually.

Canada's sales tax is not a sales tax and has proven a notorious revenue disappointment, filled with exemptions, administered by a body possessing practically legislative functions, to change or add further exemptions.

Mr. McCoy, the Treasury expert, I am informed, estimated $185,000,000 annually on our luxury taxes, whereas only about $50,000,000 has been collected, or less than one-third of the estimates. This is a final sales tax and speaks for itself.

Here is the San Francisco Chronicle; I have no criticism, but it publishes a full-page advertisement on the sales tax by the Fidelity & Deposit Co. of Baltimore. It was also published here in the city of Washington, and presumably published generally throughout the United States. Who pays the enormous amount of money to finance this one advertisement, and what was the purpose? The public is entitled to know. Who pays for the lobby that is to be established here in Washington? Who is paying for all this large expenditure of money, and who is instigating the work?

I have here an original letter from one of the men who appeared before the Committee on Ways and Means. His name is Jules S. Bache, of New York City. His letter is dated March 28, two weeks ago. It went all over the country. Thousands of copies, I understand, have been circulated among financial interests that, in the aggregate, have $1,000,000,000 annual excess-profits tax and income tax at stake that is to be shifted to a sales tax:

[President, Hazen J. Burten, Minneapolis, president Plymouth Clothing House; executive vice president, Henry G. Opdycke, New York; treasurer, Jules S. Bache, J. S. Bache & Co., members New York Stock Exchange.]

THE TAX LEAGUE OF AMERICA (INC.)
TO LIFT THE BURDEN OF UNWISE TAXATION,
NATIONAL HEADQUARTERS, 1270 BROADWAY,
New York City, March 28, 1921.

DEAR SIR: It is stated that business men in this country are paying out in fees for expert services in the preparation of their income-tax returns about $100,000,000 annually. * * *

The Government does not receive any part of this vast sum nor does it receive the hundreds of millions which for one reason or another are never collected under the present inadequate and bunglesome tax system.

To simplify and improve the present system a tax on all gross sales is proposed. Such a tax is easily collected, and this is a big thing in its favor. Clearly a sales tax would be inexpensive in its operation and no burden to anyone, and would fairly and equitably spread the obligation of Government expense to all in the fair and just proportion each should bear. Moreover, it will be simple in operation and will return a sufficient revenue.

I am writing to you because men like you and me may, as well as anyone else, take up the fight for an adequate taxing system. It is our job since it is our money which is now being taken inequitably from us under a system which constitutes undoubtedly the greatest blight upon legitimate business initiative now existing.

I ask your cooperation in a plan now organizing to conduct an educational campaign in favor of a general sales or turnover tax throughout the country.

For this purpose the Tax League of America has been created and has already done work which is showing results. Will you, therefore, please send your check for $50 payable to Jules S. Bache, treasurer, and mail same to the Tax League of America (Inc.), 1270 Broadway, New York City?

Yours, very truly, JULES S. BACHE.

(First vice president, John Williams, New York; vice president Irving National Bank.)

Mr. Bache, from his testimony before our committee, has presumably contributed twenty or fifty times $50. His taxes make the stake worth while.

How many thousands of these letters are being circulated throughout the country, and what is to be done with the enormous sum of money which will be raised? Mr. Bache was before our committee. He stated he is investing as fast as possible all his money in municipal bonds, in order to escape taxation. He stated to the industrial tax committee that the average man spends 11 months of the year trying to legally evade his taxes. He said at the same time the way to escape consumption taxation under his proposition is not to consume. This is the gentleman who is going to crack the whip over the Congress of the United States. His lobby will be working full force in a few days, and then we will be given the benefit of his many publicity agencies in earnest.

From the New York Times, several days ago, I quote:

Plans for uniting individuals and trade associations who favor a general sales tax in support of a measure now being drawn (the Smoot bill) for presentation before Congress have been made by the Tax League of American (Inc.) (Julius Bache), whose headquarters are at 1270 Broadway. The program includes a "campaign of education" in every congressional district in the country.

The article continues in an extended statement of what Mr. Bache and his aids proposes to do with the new organization.

Let me read you another statement. This comes from Mr. Meyer Rothschild, who was before our committee. This letter is signed by Mr. N. R. Fuller and pays a high compliment to Mr. Rothschild.

NATIONAL WHOLESALE JEWELERS' ASSOCIATION URGES MEMBERS TO SUPPORT JEWELERS' WAR REVENUE TAX COMMITTEE.

The following letter to members was sent out on March 2 by the National Wholesale Jewelers' Association, urging support of the fight on taxation being led by Mr. Rothschild's special committee:

"This letter is written to emphasize and call your attention to the necessity of actively supporting—morally, financially, and physically—the work of the jewelers' war revenue tax committee, which is being so capably guided by its chairman, Meyer D. Rothschild.

"As you already know, this committee and the entire jewelry industry are fighting not only to prevent an additional tax being placed on jewelry but to remove altogether the excise tax on our industry and work for the adoption of a turnover sales tax in lieu of our present inequitable tax system.

"The points regarding this proposition are too well known to need further discussion, but I do want to emphasize the necessity for ample finances for this committee to use in prosecuting their work effectively and without embarrassment.

"The present plan for financing the work of the jewelry war revenue tax committee is to select 28 of the leading cities and estimate on a percentage basis what was thought each city ought to raise.

"A letter has been addressed to you or some one in your city requesting that the quota for your city or district be promptly raised. Experience has shown that unless these matters are followed up and "put across" by some one of ability and initiative the work is never done.

"Trusting that each member of our association will take it upon himself to be a committee of one to see that Mr. Rothschild and his committee has the financial and active support this cause would justify and with kindest regards, I am,

"Yours, very truly,

"NOBLE R. FULLER, *President.*

"KEYSTONE, *April, 1921.*

"N. B.—The treasurer of the jewelers' war revenue committee is A. L. Brown, 68 Nassau Street, New York, to whom checks may be sent or communications directed."

From the same publication I quote:

Let all your friends and neighbors in these lines know what you are doing, and suggest that they also see their Congressman and Senators while they are at home and talk to them on this important subject.

If you can not see your Congressman, write to him, and again to your Senators, unless you have had replies to your last letter.

Please let us know the result of your interviews, and do what you can to get your friends outside of the jewelry trade, who are taxed under Title IX, to work along the same lines.

You must work quickly, as the special session of Congress will probably be called for April 4.

We are looking forward to your usual loyal cooperation, and hope to hear from you shortly.

JEWELERS' WAR REVENUE TAX COMMITTEE,
MEYER D. ROTHSCHILD, *Chairman.*

35,000 JEWELERS' LETTERS $27,000.

I quote from page 91 of the Jewelers' Circular, April 13, 1921, a public statement of Chairman Larter, of the "Jewelers' Vigilance Committee," known as "the governor of the jewelry industry." He said:

Do you know that the Jewelers' Vigilance Committee has paid the jewelry trade's share of the expenses of the business men's tax committee, and this amount up to date for tax matters is in excess of $27,000? About the 1st of January we sent over 35,000 letters to every jeweler in the United States, asking them to write their Congressmen and Senators in favor of the turnover sales tax and to send us contributions. Recently we selected 28 cities in the United States and prorated the amount we thought each city should contribute.

Candy men, jewelers, retailers, druggists, stock brokers, newspapers are all on the job.

Here they are dividing the United States up into 26 districts to get money in behalf of their organization to help put over the sales tax. I received yesterday a New York paper in which it says some New York man claiming to represent the traveling salesmen says of the sales tax opposition:

That a powerful group of large tax accountants and experts were banded together to defeat the sales tax, because it would wipe out the need of their services, for which $100,000,000 a year is now paid.

This sounds so much like Mr. Bache's letter that further comment as to its source is unnecessary. They are trying to find the $100,000,000 accountants, and we ought to have them testify where they exist. Let us have the facts.

Many editorials and news items are being received supporting a sales tax. What will the effect of the excess profits tax be on the newspapers, the great newspapers, the powerful newspapers of the country? I do not criticize them, but I am speaking of their interests in the subject, for the interest of every witness should be known to the jury. What is the effect of a profits tax on the great newspapers, what do they now pay, and what will be the effect of a sales tax and what difference will it make when advertising contracts go into effect? We understand the tremendous power they exercise to-day. They have a right to protect their interests, but what are those interests? Both of these gentlemen—Mr. Bache and Mr. Rothschild—speak of the educational campaigns they are now carrying on in all congressional districts. That same kind of education was carried on by a notorious body of New Yorkers known as the National Security League. We made an investigation of that organization in Congress. What was the result? A discovery of $600,000 or more for an educational fund which was used as a slush fund to aid in the defeat of Members of Congress.

What part of this Bache and Rothschild fund is a slush fund? I do not know, but I am asking for an investigation by Congress to ascertain what is being done back in our districts. Members of Congress have a right to know their methods, and I am asking for an investigation to-day. I read:

Resolution.

Whereas Jules S. Bache, stock broker of New York, organizer of the National Tax League, and Meyer D. Rothschild, wholesale jeweler, of New York, known as the wholesale jewelers' tax committee, have organized propaganda wherein large contributions have been made variously estimated at from several hundred thousand to a million dollars or over for pushing through Congress a $2,500,000,000 annual sales tax bill introduced during the present session; and

Whereas the Rothschild plan for financing the work is to select 28 of the leading cities and estimate on the percentage basis what each city ought to pay in pressing this bill through Congress and advising the proper course to be pursued toward Senators and Congressmen; and

Whereas the Bache circular demands $50 contributions from thousands of contributors, stating that a campaign is on in every congressional district in the country with an implied threat therein against Members who oppose a general sales tax during the present session of Congress; and

Whereas the amount at stake is upwards of a billion dollars annually in excess profits that these interests seek to shift to the backs of men, women, and children of the country under a turnover sales tax; and

Whereas a well-financed lobby is to be established with the proceeds in Washington to further such sales-tax legislation; and

Whereas an enormous amount of propaganda in pamphlets, advertisements, letters, and peremptory demands has been received by Members from various sources that invite public scrutiny; and

Whereas the country is entitled to know what amount of money, what methods, and what interests are engaged in pressing this tax upon the people of the congressional districts:

Resolved, That the Committee on Rules of the House be empowered and instructed to bring before it the officers of the two organizations, together with such other witnesses as may have knowledge of the activities of these and various other organizations and ascertain what efforts have been made to secure funds, the amount of such contributions and purposes for which contributed and expended, and the methods pursued in efforts to force this tax measure through Congress. That the committee is authorized and empowered to issue subpœnas, swear and examine witnesses, and to procure all documents bearing upon the matters referred to and to employ needed stenographers and clerks in the prosecution of such inquiry.

One of the leading men on the Democratic side, a man of high character, stated to me that the amount of the sales-tax contributions would be a million dollars. That was at the close of the last session, before he knew of the many agencies and funds and lobbies that are being organized.

The CHAIRMAN (Mr. REAVIS). The time of the gentleman from Wisconsin has expired.

Mr. FREAR. May I have 15 additional minutes?

Mr. KINDRED. Mr. Chairman, I hope the gentleman may have additional time.

Mr. YOUNG. I yield to the gentleman 15 minutes more.

Mr. FREAR. I am asking for an investigation in order to stop this tremendous propaganda, or in order to permit Members of Congress to decide these questions upon their own merits and not upon the representations of men who are demanding we shift a billion dollars in taxes from them over to the backs of the 100,000,000 who can not escape. I have received probably 600 letters demanding a sales tax. How many have you Members received? All the letters received from this propaganda are on one side, practically, with not 10 letters to the contrary, whereas the sentiment of the country is just the reverse. One million men want to escape excess-profits taxes and are trying to shift their taxes onto the remaining 105,000,000 through a sales tax. To pyramid the costs of living for every man with a family of five to from $100 to $200 or more annually. What will these people say if we pass a sales tax?

I have here a letter received last night from my home city, sent out by the Rothschild organization. It says that there is going to be raised $4,000,000,000 by the 1 per cent sales tax. What a dishonest and false statement to make. Every district is to be flooded with letters, my friends, and I ask for an investigation. I do not think Congress ought to sit mute when these matters are pressed upon the country by irresponsible "incorporated" concerns, and that is a reason why there should be an investigation.

I am not going to discuss the sales tax now. I did so in my speech of January 31. I want you to understand the propaganda on this revenue sales tax bill financed by the man who has the money, the excess profits, and who is trying to shove his taxes onto the poor people of the country. He should pay according to his ability to pay, a principle that has stood for generations and is supported by the organizations quoted against a sales tax. The best tax experts in the country insist on that principle. Why not? Why should every dollar's worth of necessities a poor man buys, his coffee and tea and sugar and clothes, be taxed to relieve the men who will pay nearly a billion dollars in excess-profits taxes in 1921 after deducting their $3,000 exemption and 8 per cent on their invested capital, which is now exempt? The United States Steel Corporation the other day reported that it made 43 per cent more in 1920 than it made in 1919, or $109,000,000 profit. Texas Oil the other day reported a profit of $85,000,000, and it made 56 per cent more in 1920 than in 1919. Are you going to relieve those people from that excess-profits tax? I can not believe it possible, unless some equally just tax is to be substituted.

I have here an editorial from the Wall Street Journal, of over a column, criticizing me because I made a speech here against the sales tax on January 31.

I delivered the speech and sent it out, because I am thoroughly opposed to a turnover sales tax to run the Government. I wish other Members who are better able to do so would undertake the task of presenting opposition, because it calls for action and because, as the gentleman from Iowa [Mr. GOOD] said on this floor, any party that undertakes to put a sales tax through will be defeated the next time at the polls. I fear he is right. The editorial was unjust, made many misstatements, and failed to mention facts that could not have escaped the attention of any fair-minded writer. My answer says:

APRIL 14, 1921.

EDITOR WALL STREET JOURNAL,
New York City, N. Y.

MY DEAR SIR: Your column editorial in the Wall Street Journal of April 5 is received, wherein I am chastised editorially by B. S. Orcutt because in my speech of January 31 I opposed a sales tax and because I recently stated: "All sales-tax people desire to force that tax on the people before it can fully be understood." That statement I repeat, while the Journal confesses its truth and avoids by saying an "educational" propaganda demanding a sales tax is now on. A strong tax propaganda has been on for months, although it misrepresents, misstates, and theorizes without basis or reason. Members have been deluged with sales-tax letters urging a discredited tax, generally abandoned centuries ago by civilized governments. I have received 500 letters, including 143 from candy makers alone, all demanding to be exempted from taxes they now pay and also demanding that Congress substitute a sales tax. This kind of "education" is admitted.

A powerful lobby with an enormous slush fund is planned in Washington to push the sales tax through Congress.

Is that the "educational" medium to which you refer? Highly paid publicity men and men who crack the whip in Wall Street are about to crack their whips over Congress, according to this propaganda, in an effort to shift $1,000,000,000 in taxes they now pay annually over to the backs of the hundred million men, women, and children of the country who consume. These millions have no lobby, but they are to be sales-taxed over a billion dollars on everything they eat, drink, and wear, so that Wall Street profits may go untaxed or may be undertaxed. This lobby includes scores of men now taxed who are expected to appear before the Senate committee to voice their woes, while the sales-tax lobby is as boastful and brutal as the National Security League of like membership and fame, that blew up when its $600,000 "educational" slush fund and Wall Street methods were exposed by Congress.

The Wall Street Journal is recognized as a leader in this present sales-tax propaganda, for apart from its editorials the Journal printed a full-page "advertisement" on March 17, page 7, demanding a sales tax—

I referred to a page advertisement in the Wall Street Journal that favored a sales tax—

Therein this advertisement said of the recently enacted French sales tax: "The yield is already proving unexpectedly satisfactory and there appears to be every reason that it will produce a much greater amount than had been anticipated in the budget estimates."

The Wall Street Journal carried that false statement throughout the country on March 17, although long prior to that date the New York press printed the fact that French budget estimates of January and February, 1921, were 487,000,000 francs and 413,000,000 francs, respectively, yet the actual receipts by the French Government for the same months had only been 187,000,000 francs and 151,000,000 francs, in round numbers, or a little over one-third of the estimates. At present values this reached only $11,000,000 monthly for France, or less than 10 per cent of what is predicted here. In other words, the Journal was 63 per cent wrong on the most important statement in its full-page advertisement of March 17.

No greater injustice could be done Congress than to send broadcast this glaring misstatement of the most important fact on which a sales tax law was to be based. Was it a mistake on your part?

Your Orcutt editorial of April 5 pretends to explain why a packed sales tax crowd led by Bache and Rothschild, tax leaders, failed to capture a meeting of the National Industrial Tax Conference which had previously denounced a sales tax.

The National Industrial Conference Tax Committee represented thousands of great industries, billions of dollars in the aggregate, and millions of laboring men employed, whereas Bache and Rothschild are New York stock brokers or jewelers. That committee squarely rejected the sales tax. Its authority was limited to its report, but you complain because a handful of Wall Street tax dodgers failed to capture the meeting. That is the burden of your editorial. Three members there present state your editorial criticism is a misstatement of fact.

Three members of that committee in my office all said that I had stated the facts correctly in the speech of January 31, and that there was no correction they had to make. And let me say this, that all men of great means are not in favor of a sales tax. Mr. R. P. Hazzard, who is at the head of the Hazzard Shoe Co., said in my office two or three days ago, "Mr. FREAR, it would be $200,000 more a year interest to me to have the sales tax provision passed, and yet I have been opposing it at every place I could, speaking against it constantly." Mr. Hazzard realizes, as he says, not only the injustice of putting this enormous tax burden upon the shoulders of the people, but beyond that comes the question of destroying many small companies that compete with his big company and other integrated concerns where he and they would have a great advantage through a turnover sales tax.

I am continuing to read from my letter to the Wall Street Journal:

Your deliberate purpose to mislead and deceive is again emphasized. The contributor of your editorial, Mr. Orcutt, had an intimate knowledge of the tax meeting referred to and of my speech. That you admit. He knew that I quoted in my speech of January 31 at length from official reports of two important committees, the national industrial tax committee and the United States Chamber of Commerce tax committee. Both committees requdiated any sales tax. Why did you not state in your editorial that the tax committee of the United States Chamber of Commerce, represening hundreds of thousands of business men of the country, not only reported unqualifiedly against any sales tax, but on February 21 reported on a referendum to the chambers of America, which was widely published in the press? Why did you not state that in this referendum 1,221½ votes favored an excise tax but opposed its imposition on articles of first necessity, with only 504½ votes opposed, contrary to the Journal's position. On the referendum of Should a sales tax be substituted for an excess-profits tax and excise tax? the vote was 706½ for and 857½ against, or a majority of 151 unit votes against. On the referendum of Should a sales tax be levied in addition to excess profits and excise? the vote was 767½ for and 894½ against, or 127 majority unit votes against. Why did you not give the facts where hundreds of thousands of business men were represented, as by these organizations, distinguished from a handful of Wall Street sales-tax boosters, whose money and publicity is their capital in trade?

What more significant evidence of deliberate concealment of facts and of misstatement could be afforded than your unfair reference to one committee and concealment of the other? What effect does the excess-profits tax have on the advertising profits of your paper and of all the other large papers? Will you escape many thousands of dollars tax annually under a general sales tax law?

ONE HUNDRED MILLION PEOPLE AGAINST A SALES TAX.

What do you honestly believe, Mr. Editor, is the sentiment of the 10,000,000 farmers and an equal number of laborers on whose backs the Wall Street Journal and its bulls and bears are trying to shift a billion dollar tax burden now paid by the rich out of their profits? What is the sentiment of the millions upon millions of women and children who have no powerful lobby, no Wall Street Journal, no great slush fund, and no wide propaganda, but who confidently depend on Congress to protect them now and always? Is their opinion to be ignored?

What answer do you make, Mr. Editor, to the statement of Chairman GOOD, of the Appropriations Committee of the House, that "a sales tax is a tax on the backs and bellies of the people, and any party passing such a law is certain to go down to defeat"? Yet you approve that iniquitous tax.

The country knows those you represent are less than 5 per cent of the American people, men whose politics and principles are measured by personal interest or by the dollar mark, and many of them regard millions of jobless and of God's patient poor with unconcern or worse. Business interests such as you represent sent a great political party down to defeat eight years ago by use of money and the same tactics you now pursue.

Do you not believe men responsible for placing a sales-tax burden on the people will be remembered for their action, even as those who burdened the people with the 1909 tariff bill, and do you not believe this effort of greed and extortion on the part of those who have profiteered in the past and who now lead the sales-tax effort in putting screws on the people is unjust?

Do you believe it is fair for the Journal to open on a humble Member of Congress with over a column editorial of misstatement and concealment in a cuttle-fish effort to obscure the issue? If you do not—and I assume you have an element of fairness that the advertising pages affected by existing excess profits tax laws can not control—will you please give publicity to this needed correction of your editorial equal to that given your manifestly untrue editorial of April 5?

Very truly, yours,

JAMES A. FREAR.

Mr. Chairman, the other day I sent to the Members of the House my speech of January 31. I did it simply because you, like myself, have received some 600 letters with little to the contrary. All I wish to do is to bring this before your attention, and as long as I sit in Congress I shall try to bring to your attention propaganda presented only on the one side when the people back home have had no voice on the other side. No case as flagrant has occurred in years as this sales tax lobby and sales tax propaganda.

Mr. CONNALLY of Texas. If the excess-profits tax is to be repealed, what is the gentleman's idea as to how revenue shall be raised?

Mr. FREAR. One way in part is the bill of the gentleman from Ohio [Mr LONGWORTH], which is a good one, supported by Mr. Houston, of the Treasury Department, to put 6 per cent additional to the 10 per cent on the net profits of corporations, which will raise about $450,000,000 according to their estimates. Rather than have a sales tax I am willing to accept practically anything. Next we might put a tax on undistributed profits, if necessary, which will raise about $190,000,000 by the tax proper, according to Treasury estimates, and would realize about $400,000,000 more according to the statement of the Treasury experts at that time, or nearly $600,000,000 or over a billion dollars by those two items of revenue alone, in addition to nearly a billion dollars excess under present revenues for 1921, according to estimates.

Mr. CONNALLY of Texas. The gentleman recalls the statement in the President's message the other day that you gentlemen were committed to the repeal of the excess-profits tax.

Mr. FREAR. I heard the President's statement. I have no issue to join with him. I do not care to have any political issue raised about this. Let me say this, if you gentlemen are sincere and honest in this thing, regarding your opposition to a sales tax, come and help us now to let Congress and the country know what efforts are being made to put through a sales tax. Do not wait until we do something on this side of the aisle and then complain about it. Why did you not pass a resolution against a sales tax yesterday in your caucus? Then was the time to help those of us who feel the same way about it, for I know many of you are opposed to that kind of a tax.

Mr. GARNER. Will the gentleman yield?

Mr. FREAR. I yield to the gentleman from Texas.

Mr. GARNER. Does the gentleman favor the taxes he has just suggested instead of the excess-profits tax?

Mr. FREAR. I would favor any of them by far in preference to a sales tax.

Mr. GARNER. I did not ask the gentleman that. I ask the gentleman personally whether he favors those taxes that he has enumerated instead of the excess-profits tax?

Mr. FREAR. I am glad the gentleman has asked me that, because the experts in the Treasury Department say there is no tax more fair than the excess-profits tax. I believe the men who are able to pay the taxes should pay them, and there is no one better able to pay than those who make excess profits.

Mr. BANKHEAD. Will the gentleman yield?

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

Mr. BANKHEAD. Does the gentleman think there is any serious danger of his party imposing a sales tax as a revenue scheme?

Mr. FREAR. Oh, I wish I could tell the gentleman some things that I believe but do not know and that I can not speak of here. [Laughter.] Let me say that they are not of a political character, but I do know the situation, and the serious menace of a sales tax, and you know what is being done as well as I do in regard to it, because I have laid before you some of the data in my possession.

Mr. LONGWORTH. Let me suggest that a very large portion of the amount that would be lost by the repeal of the excess-profits tax will be raised at the customhouse under a bill which I trust will be shortly reported to the House.

Mr. FREAR. A good suggestion coming from the gentleman from Ohio—three hundred millions is an item of additional income which will be received from the customhouse under the new tariff bill, according to Treasury estimates. We also have proposals that will raise about $2,500,000,000, so no possible excuse exists, in my judgment, for putting through a sales tax. I thank you. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and the Speaker having resumed the chair, a message was received, in writing, from the President of the United States, by Mr. Latta, one of his secretaries.

EMERGENCY TARIFF BILL.

The committee resumed its session.

Mr. GARNER. Mr. Chairman and gentlemen of the committee, it is rather unusual in any consideration of a tariff bill

for a Democratic member of the Ways and Means Committee to follow a Republican of the Ways and Means Committee and agree with him in his argument. But I want to say that I am in hearty accord with the argument presented by the gentleman from Wisconsin [Mr. FREAR]. [Applause.]

I want to say to the gentleman from Wisconsin and those who agree with him on the Republican side that if he has enough votes on that side in accord with him to join with the minority, there will be no sales tax put on during this administration. [Applause.]

But I am like the gentleman from Wisconsin, very fearful as to what the result may be when these gentlemen who do not believe in a sales tax hear from their leaders, and especially the leader at the other end of the Avenue; their views will be changed, and they will say that they regret very much that they were compelled in order to get the revenue necessary to run the Government on account of the expenditures made necessary by the Democrats to put on this sales tax.

It is not only remarkable, gentlemen, that a Democrat following a Republican of the Ways and Means Committee should agree with him, but it is the usual thing that the first speaker on the tariff bill in a Republican administration should defend the bill against the charge of having a joker, as did the gentleman from North Dakota [Mr. YOUNG]. How natural that is with a Republican administration. [Laughter.] Have you heard of a tariff bill being passed by a Republican administration within 25 years that did not have a joker in it?

I never shall forget the scene should I live many scores of years when that magnificent man, a great orator and I think a great statesman, Senator Dolliver, from Iowa, stood on the floor of the Senate and called attention to the joker that was contained in the Payne-Aldrich bill.

Now, we have a popgun bill a temporary relief measure, and behold, what do we find? We find the identical measure, letter for letter, comma for comma, t for t, i for i, so far as the tariff feature is concerned, embodied in the proposed bill that was vetoed by President Wilson.

We also find embodied in that bill an anticlogging provision which was passed by the last Congress without a record vote, except that we find provided further in that particular measure—and I want to call this "provided-further" clause to the attention of the new Members, because you might just as well get used to these jokers now as a little later on—for these gentlemen, Republican leaders, are going to put that on unless a few independent spirits like the gentleman from Wisconsin [Mr. FREAR], who will not take the party lash at all times, will adhere to candid and honest methods in passing tariff laws. There are some to be found even with the tremendous majority the Republicans have who will join an honest and conscientious minority that may compel you to at least call a halt in the effort to put through a Republican joker in a Republican Congress.

Now, what do we find in this bill? We have a bill before you, gentlemen, of 16 pages. It is the identical bill, as I understand it, because the gentleman from Michigan insists that it is, and I perfectly agree with him, of the bill that was passed upon by the Sixty-sixth Congress, except that on page 16, just before we closed the services, the gentleman from Michigan [Mr. FORDNEY], I imagine, and the gentleman from Connecticut [Mr. TILSON], and I would not be surprised if the gentleman from Massachusetts [Mr. TREADWAY] did not have something to do with preparing that "kick"—

Provided further, That in the estimation and liquidation of duties upon any imported merchandise the collector of customs, or person acting as such, shall not in any case estimate the depreciation in currency at more than 66⅔ per cent.

Now, that looks simple to the ordinary mind. To the farmer or the merchant whom you represent in the West it means nothing, but when you apply it to the conditions existing in the world to-day it is preposterous, wicked, and indefensible, and the gentlemen who drew it knew it. It means an absolute embargo on goods coming from central Europe. Not one dollar's worth of goods under that provision can come from Germany or Italy or any central part of Europe, and very little from France. Let me illustrate it to you. At the present time you go to Germany for the purpose of buying goods. You buy goods to the amount of a thousand marks in a German market where the present mark is worth 2 cents.

In ordinary times the thousand marks would amount to about $240 in American money. At the present time at a valuation of 2 cents, it will amount to less than $20. Therefore, in importing those goods into the United States at the present time you would pay a rate of duty under the present law on manufactured articles upon a valuation of $20—and that law has been on the statute books for nearly 20 years—but what will this bill do? It will compel you to pay on those identical goods imported from Germany a duty of $80 value, whereas I say you pay at the present time a duty on only $20 value; and think of it, this is put onto a "farmers' emergency bill." Remember, this is not a general tariff law, this is not a manufacturers' bill, but it is a bill introduced to grant temporary relief to you farming people of the West and South who need it.

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

Mr. GARNER. Yes.

Mr. LONGWORTH. Would it relieve the gentleman's apprehension if I should confide to him that in my judgment this provision will not be in force more than a month or so?

Mr. GARNER. That is some consolation.

Mr. LONGWORTH. Because we intend to change the method of valuation.

Mr. GARNER. Mr. Chairman, that is indeed consoling. They plead guilty to the indictment, but they say that they are not going to commit the wrong for more than about 30 days. [Laughter and applause.] I speak now to you farmers who come from the West, you people who came here believing that you ought to be granted relief, and that as their Representatives you gentlemen should relieve the farming and the stock breeding interests of this country. I believe so, too, and I voted for the Fordney bill in the face of criticism from my colleagues, because I knew the conditions were such that they ought to be relieved, and I thought that bill would grant that relief. But I ask you gentlemen, in your own conscience, this question: In coming here to pass a six months' relief bill for the farmer, do you believe that you can defend the putting of a stinger in it, or, worse yet, a joker, as it has been correctly described by the gentleman from North Dakota [Mr. YOUNG]? There are not 10 men in this House who would know what that language meant unless they would analyze conditions throughout the world. The gentleman from Ohio [Mr. LONGWORTH] says that this outrageous perpetration will last only for 30 days. The gentleman from Ohio really knows better than that. The gentleman from Ohio knows as well as he is sitting in his seat that the powers that be who compelled him and the chairman of his committee and forced them to put this provision in this bill will amend it in another body, and you will have your American valuation plan in the bill before it is signed by the President. The gentleman knows that.

Mr. LONGWORTH. But the point which the gentleman fails to observe is that with the American valuation plan in force this provision will be inoperative.

Mr. GARNER. I am not so certain about that.

Mr. LONGWORTH. The gentleman should be certain about that.

Mr. GARNER. Let me ask the gentleman this question: If you adopt the American valuation plan, then you will eliminate this from the law?

Mr. LONGWORTH. Yes.

Mr. GARNER. I am very glad to have that assurance. That is at least some relief.

Mr. LONGWORTH. Oh, we are dealing with you in a frank way.

Mr. GARNER. Oh, the gentleman from Ohio is always frank, and I want to say now that the gentleman from Ohio is not always in entire agreement with what the party lash compels him to submit to.

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

Mr. GARNER. Yes.

Mr. FORDNEY. Will not the gentleman tell the membership, with the percentage of depreciated currency as compared with the moneys of other countries, what duty Germany now pays on her goods coming into this country?

Mr. GARNER. All I know is this, and I challenge the contradiction of it by the speakers who follow, that this provision in this bill will increase the duties now being paid on German imported goods over 400 per cent.

Mr. YOUNG. I would ask the gentleman——

Mr. GARNER. Oh, I decline to yield now. I am going to give these percentages, and I am talking now to Republicans, for we do not need to talk to our side of the House. I am appealing to the honest men who have come here, who are new, before they have been debauched by these fellows who have been here for some time. [Applause and laughter.] This "joker" increases the duty over 400 per cent on goods now coming from Germany and over 200 per cent on those coming from Italy, under the language in this bill which I have quoted to you. Mark you this, that we are constantly trading with these countries. This will amount to a duty of over 2,000 per cent on goods now coming from Austria. Can you gentlemen

go back to your constituents and tell them that you voted for a bill which was offered for their relief, for the relief of the farming districts, and at the same time permitted the machine of your party to put such an infamous matter over in their name? Can you do it? If you gentlemen go home and tell your constituents when challenged that in order to put over this emergency tariff bill you gave to the manufacturers of New England a duty of from 25 per cent to 2,500 per cent on goods coming from central Europe over what they now have under the law, what will your constituents say to you, and what will they do to you?

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

Mr. GARNER. Yes; but first I must yield to the gentleman from North Dakota.

Mr. YOUNG. I want to ask the gentleman this question, and I know that he will be frank——

Mr. GARNER. I always try to be.

Mr. YOUNG. And I am not meaning to admit that his statement is accurate in respect to the percentages, but admitting that there will be a substantial and a large increase in duties over those in the present law, will those countries to which he has referred pay any more for the privilege of putting their goods into our market than the other nations of the world, and should we make favorites of those countries and let them put their goods into our markets at a less rate than Cuba or South America or Canada?

Mr. GARNER. I want to say to the Republican membership of this House something which the leaders of your party now know and which the Democrats know, that I am not a free trader, and neither am I in favor of a protective wall around this country that will impede the freedom of commerce with the nations of the world. I am going to tell you what you are going to do, but before I do that I would say to my friends, FREAR and many others on the Republican side, that in my humble judgment the political contest in the near future for the next two, four, or six years, until we have established a positive economic policy, will not be a discussion in respect to the customhouse, unless you absolutely prohibit the importation of goods, but it will be on the question of the internal-revenue policy of the Government.

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

Mr. GARNER. In a moment. Your party, in the very nature of things, if your leaders have their way, is going to insist that the masses shall pay the bills, while our party, as it has always done in the past, is going to insist that the taxes shall be laid where they are best able to pay.

And that is going to be the issue between the two parties, and let me say further to you Republican gentlemen that you are going to make in my judgment a very great mistake in drawing your tariff bill. We must do business with the world if we expect to sell the excess farm production produced in this country throughout the world. You have a lot of wheat to sell, we have a lot of cotton to sell. Now, I ask you how we are to sell those goods? What method can we pursue to dispose of our surplus? We must sell them to the peoples of the world. How can they pay us for those goods? They have no gold. We have more gold to-day than we ought to have under proper economic conditions throughout the world. So they have no gold to buy with. There are only three ways by which they can pay for our goods. One is with gold, the other service, the other is exchange of their goods for ours. We do not propose they shall pay us in service, because we expect to carry our own goods across the ocean in our own merchant marine, so there is but one other way, and only one, that they can pay us, and that is to send us their manufactured products.

Now, if you make it so that they can not send us that product by making an American valuation, by putting in this clause and estimating the value of their currency and then put in what you term a modest protective tariff, you will close all the customhouses and there will be no way by which we can sell our goods. That is my honest judgment about it. I tell you gentlemen on the Republican side, prefacing that by telling you that I am not in favor of free trade, the most economic blunder that can be made, in my judgment, in this country is to put a clause like this on this bill making an American valuation and pass what you term even a moderate tariff bill and stop all commercial relations with the peoples of the world. I will now yield to the gentleman from Illinois.

Mr. MADDEN. If the proviso on page 16 to which the gentleman has alluded results in an increase in the import duties to be paid by Germany and Austria, even though it only places them on an equality with England, France, and other nations of Europe, does not the gentleman think it would be worth while to adopt this scheme if, in addition to putting them on a basis of equality with other European nations, it will yield employment to the 5,000,000 idle men in this country, the result of the Underwood law?

The CHAIRMAN. The gentleman from Texas has consumed the additional time he allotted himself.

Mr. GARNER. Mr. Chairman, I will not take time to even answer that, because the question answers itself. [Applause on the Democratic side.]

Mr. YOUNG. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. FORDNEY]. [Applause.]

Mr. FORDNEY. Mr. Chairman and gentlemen of the committee, I will say to my friend from Texas [Mr. GARNER] a thing that he well knows, that the Republican Party believes in the policy of protection, and that is not only true but a very large percentage of the people who live in the Southern States whose Representatives sit there now believe in protection, and 42 of your Members in December last voted for this bill, and you are going to vote for it again or you are going to run, because you have recently been in caucus with the full membership of the Democratic Party——

Mr. GARNER. Will the gentleman allow me to correct him? I know the gentleman from Michigan does not desire to make a statement that is not absolutely correct.

Mr. FORDNEY. I never desire to make an intentional misstatement to the gentleman from Texas or anyone else.

Mr. GARNER. I know that, and I wish to correct the gentleman. The bill passed in December is not this bill. Now, if the gentleman had said that 42 gentlemen voted for this bill in December and 23 voted in February he would have been absolutely correct.

Mr. FORDNEY. Now, let me correct the gentleman from Texas, please. This bill, so far as duties are concerned, is the bill identical, word for word, except that we have reduced the time from 10 months to 6 months as the life of this bill. The antidumping bill is practically word for word substantially and exactly the same as the bill which passed this House less than a year ago, except the alleged joker [laughter on the Democratic side], to which the gentleman referred relating to the payment of duties on goods coming, we will say, from Germany and from central European countries. The Democratic conception of a joker is any provision to afford protection against the products of cheap foreign labor. Let me explain to the gentlemen of the House the present system of collecting duties on imports from Germany and some of the central European States under the Executive order of Woodrow Wilson to the customs officials in November, 1919. The German mark, with its declared gold value of 23.8 cents, is worth in this country to-day less than 2 cents in gold in purchasing power, but in Germany it has a purchasing power of 8 cents; but when the goods purchased in Germany—and the mark in hiring labor is worth 8 cents—are landed in the United States and duty is collected thereon, the duty is collected on less than 2 cents. That is why this measure is in this bill, and it is there to stay, my friends. [Applause on the Republican side.]

Mr. GARNER. I guess the gentleman has got them lined up pretty well.

Mr. OLDFIELD. The gentleman means for 30 days?

Mr. FORDNEY. It will stay there until the new tariff bill takes effect, and we hope that can be in the next 30 or 60 days from this day. Now, no American valuation can be drafted in our opinion, that can be equitably applied to the rates in the Underwood tariff law and at the same time be suited to rates that may be carried in a new tariff bill, and that is why this paragraph is in this bill, to prevent these people in central Europe from robbing Uncle Sam's Treasury, and we are going to stop it this week. Your President, our President, the retiring President, made that possible, and we are creating a remedy. You say the political machine on this side works admirably. It did work most admirably the 2d day of November last. [Laughter and applause on the Republican side.]

The antidumping provisions of this bill are in all essential particulars the same as paragraph R of section 4 of the Underwood bill as passed by the House in 1913. It likewise accords with the Canadian antidumping law of 1904, as amended in 1917, and the antidumping act of the South African Customs Union of 1914 now in effect. This bill follows closely, both in the prescribed method of calculating the special duty and methods of enforcement, House bill 10918, which passed the House December 9, 1919.

The principle underlying the adopted measure of additional duty to be added in prevention of dumping, particularly where the tariff valuations are upon foreign market values, is to add such an amount of duty as will equalize sales at less than the foreign home market value or foreign export value or cost of production with profit added, whichever may be the highest, thereby making it unprofitable to dump goods on the markets

of the United States at less prices. If the seller of the goods is compelled to add as duty the difference between the sales price and what he would receive by selling in the otherwise highest obtainable market, all reward or inducement to dumping is removed.

Several countries of the world in the presence of the experience now being undergone by this country have enacted such legislation. It protects our industries and labor against a now common species of commercial warfare of dumping goods on our markets at less than cost or home value, if necessary, until our markets are destroyed, whereupon the dumping ceases and prices are raised at above former levels to recoup dumping losses. By this process, while temporarily cheaper prices are had, our industries are being destroyed, after which we more than repay in higher prices. Moreover, the provisions as drafted will compel payment when the export price is less than the home-market sales price as now exists in many lines of industry of a corresponding equalizing duty.

This bill contains the additional and necessary safeguard that where the goods are consigned and not sold or agreed to be sold until after they pass out of customs custody, bond to pay any additional antidumping duty herein provided and subsequently determined shall be given. Without this provision the law would be of no possible effect. All goods intended to be dumped on American markets could be, and experience shows would be, consigned, cleared of customs duties, delivered from customs custody, and then sold or agreed to be sold, whereby lien thereupon for the additional duty would be lost and the duty probably never known to the customs officials. To meet this situation a bond is herein required, conditioned that so soon as bona fide sale of goods not sold or agreed to be sold at the time of entry for consumption—at which time they pass out of customs custody—report thereof shall be made to the customs officials and the duty herein provided be paid. Without this provision the law would be so easily avoided as to be a dead letter upon the statute books. This bond, it is here provided, shall be as prescribed by the Secretary of the Treasury. It is probable that it will entail no new bond, but that one of the several presently required bonds can be made applicable, by the bond for return of packages. As presented, however, the bill secures in every way the stated objects, and, as the experience of other countries shows, is well calculated to and will discourage, if not entirely stop, the practice of dumping, so disastrous to our industries and trade.

Section 214 of the bill is calculated to equalize foreign exchange values for customs purposes. Under existing law all duties are liquidated on the basis of the currency of the invoice or appraised value. If that currency be found to be depreciated, the duties are assessed on the exchange value of such depreciated currency as found on the day of exportation. The exchange value of the currency of such foreign countries importing goods into the United States is in some instances so low that the amount of duty collected is very small. It is the practice of some foreign sellers to require our merchants to pay for their goods in American dollars, and to state in their invoices that the home value is of a lower unit price stated in the depreciated currency of that country. If the price paid by the American purchaser were converted into the currency of the exporting country on the basis of the standard gold value, the difference in the two figures would to a great extent disappear, and the values both for home and export in some instances would be alike. This, of course, does not apply to goods which are sought to be dumped upon our market.

To require the payment of duties on the basis herein provided for will to a great extent remedy the evil mentioned. It is at least possible by the bill presented to partially check the practice now in vogue in the underpayment of customs duties. By limiting currency depreciation to 66⅔ per cent we will be able to collect at least some portion of the duties which Congress intended to impose on imported merchandise. This method of checking the greatly reduced value of currency in the collection of duties has been adopted by at least one foreign country whose goods are largely imported into the United States.

To illustrate its application: The German mark is now worth, let us say, 2 cents in our money. As a matter of fact, its exchange value is less than 2 cents, while the gold value of the German mark is 23.8 cents. Two German marks will purchase in the home markets of Germany a quantity of goods which when exported to and delivered into this country are valued at and sold for a sum ten times greater. Under existing law, however, we collect duties only upon the exchange value of the mark, to wit, upon 2 cents. This would result on an invoice for 1,000 marks in the collection of only $20 in duty upon a 25 per cent ad valorem basis, whereas when the depreciated currency is limited as provided for in this act 1,000 marks would equal $80 and the duty collected would be $20. Under present conditions, while the importer pays duty only on the depreciated mark and the goods are so invoiced, he, in fact, frequently pays the foreign seller a much greater price because the export price is much greater than the foreign home market value. Where the invoice is in American currency and the importer enters in marks duty is collected upon the depreciated value of those marks. He thus pays duty upon a much less sum than actually paid for his goods.

The provision of this bill will result in a much more adequate duty.

Let me call your attention to an important matter. By the way, the lowest duties collected under any of our tariff laws for more than half a century—yes, for more than three-quarters of a century—are the ones provided for in the Underwood tariff law. The rates collected on imports last year were less than 6 per cent ad valorem, and there is not an important country in the world that does not have higher rates of duty. The amount of duty collected last year was $325,527,000 on imports, dutiable and free, with an average of ad valorem of less than 6 per cent, as I have said. More than $5,000,000,000 worth of foreign imports came into this country in the calendar year 1920. Seventy-two per cent of the duties collected last year were collected on nine items in that tariff bill. Twenty-five per cent of all duties collected were collected on sugar, gentlemen, and the ad valorem duty on sugar was 8.38 per cent.

Let me show you how you have taken care of the South in the Underwood tariff bill. The rate of duty on sugar was 8.38; on manufactures of cotton, 31.68 ad valorem. Pretty fair, was it not? It is a pretty fair difference between cotton and sugar. Cotton is the principal product of the South. I do not blame you. I would have only gone further and have protected every industry in the United States. I would not have stopped with the South. It has been stated by opponents of protection that if we pass measures to increase import duties, Canada and other countries will retaliate. I hold in my hand a report of a tariff commission of Canada, made on the 19th of July last. The Hon. E. J. Davis is chairman, and this is what he says in the headlines of his report, a photographic copy of which I have:

Tariff situation thoroughly discussed. Official records show that there is not one country in the world to-day making any pretension to industrial development that is without a protective tariff. Where Canada stands in tariff matters.

The report states further:

Every resident of the United Kingdom paid a customs tariff tax on the average of about $16 last year. In Canada last year the average per capita tariff tax, including the war tariff, now removed, was about $23, or, without the war tariff, about $19.50. Yet some people describe Great Britain as a free-trade country and Canada as a high-tariff country.

Further on the report of the committee states:

The total value of all free importations during the fiscal year ended March 31, 1920, was $370,872,966. The total value of all dutiable importations into Canada during the same period was $693,643,211. The total amount of duty collected during the said fiscal year was $187,520,613.

All dutiable imports paid a tariff of 27.03 per cent.

The report shows the imports and exports from Canada to the United States and from the United States to Canada for the period from 1907 to and including the year 1920 to be as follows:

Fiscal year.	Value of imports from United States.	Value of exports to United States.
1907 (9 months)	$155,943,029	$79,021,480
1908	210,652,925	113,320,309
1909	180,026,550	92,604,357
1910	223,501,809	113,150,778
1911	234,934,739	119,396,801
1912	356,354,478	120,534,634
1913	441,141,562	167,110,382
1914	410,786,091	200,459,373
1915	425,616,927	215,409,323
1916	398,693,720	320,225,080
1917	677,831,616	486,870,690
1918	791,906,125	441,390,920
1919	746,920,654	477,745,659
1920	$802,096,817	464,029,273

This table shows that in the year 1920 the balance of trade in our favor with Canada was $336,000,000.

The committee further reports:

Last year each inhabitant of the United States bought $4.21 worth of Canadian goods, while each Canadian bought $102.62 worth of United States goods.

Commenting on the advisability of protection, the committee states:

It is the Canadian tariff which has caused large numbers of United States industries to establish branch factories in this country, and these branch factories now number over 600 and employ over 87,000 Canadian people.

My friends, these quotations are taken from the report of the Canadian tariff committee, only recently made, pointing out the advisability of protection. All through the report comments from various people, generally manufacturers who appeared before the committee at its hearings at different times, advocated protection to Canadian capital and labor. Some critics opposed to the measure have said that Canada and other foreign Governments are likely to retaliate if we impose increased duties on foreign imports. I have searched diligently through the various reports made by the Canadian tariff committee and statements made by people who appeared before that committee touching the matter of protection and have failed to find a single word uttered by any Canadian in the way of threats or otherwise in regard to retaliating against our Government should we increase our rates of duty on imports.

Canada will continue to protect her industries regardless of our tariff policy. Moreover, we are not questioning the right of Canada to protect her industries—Canada would not approve of such unwarranted interference—and Canada is not disputing our right to protect American industries.

Talk of retaliation originates on this side of the line. It is the smoke screen of American importers under the cover of which they hope to secure tariff legislation advantageous to themselves at the expense of American industries. Canadians are talking "Canada first." They are patriotic and loyal, and we admire them for it, and they in turn will admire us for being patriotic and loyal to American industries and American labor. When they adjust their tariff rates they do it with an eye single to Canada's welfare. The spirit of retaliation does not influence their legislation any more than it influences ours, and during the tariff discussions which are opening to-day we must not allow friends of free trade to cloud the issue.

Talk about Canada retaliating! Last year she collected on her imports $19.50 per capita. We collected $3.15 per capita. Great Britain collected $16.21 per capita on imports last year, and yet Great Britain is said to be the great free-trade nation of the world and we the great protective nation. We were the great protective nation before 1913 and we will be again within 30 days. [Applause on the Republican side.] Last year, my friends, Canada purchased from this country over $800,000,000 worth of our goods and sold to us 50 per cent of that amount. You talk about Canada retaliating because we increase our duties, when her rates of duty are more than three times greater than ours. Why, little Japan, lying over in the eastern seas, said by some people to be an uncivilized people, last year collected 17.64 per cent ad valorem on all of her imports, dutiable and free, while, I repeat, that we collected less than 6 per cent under the laws that you, my Democratic friends, forced upon our statute books against the wishes of protectionists. Now, we are determined, whether you are willing or not, to protect you and take care of you. [Laughter.]

My friends, we have a reciprocity treaty with Cuba, and I want to show you how we get along with countries that we are trying to deal with on more liberal terms than the most-favored clause in our law. For 17 years prior to the adoption of Cuban reciprocity our trade balance against us was $538,000,000. For 17 years, ever since we adopted that reciprocity treaty with Cuba, the balance of trade has been $1,250,000,000 against us. At the same time with Canada, where we have charged a rate of duty, full duty on goods coming from Canada, the same as from other countries where we have no commercial treaties, the balance of trade in our favor in the last 17 years has been $3,196,000,000. The American market is the best in the world, and every attempt to swap a portion of it for a market elsewhere has been to our detriment. We have always been the loser, gentlemen.

Now, it is a most difficult problem to arrange a rate of duty that is equitable and just to all of the countries of the world in the sending of their goods here. As to that let me say to you that Canada's cost of production is nearer our cost of production than that of any other country in the world; say 10 per cent, to be conservative. Her cost of production is not more than 10 per cent below our cost of production.

Mr. BLANTON. Mr. Chairman, will the gentleman yield there?

Mr. FORDNEY. Yes.

Mr. BLANTON. Would the gentleman mind placing in the RECORD in connection with his speech figures showing the trade balances of all the nations to which we send our products?

Mr. FORDNEY. I do not have them all here, but I have many of them, and I will put them in.

Mr. BLANTON. I wish the gentleman would.

Mr. FORDNEY. I would be glad to do that if I may be permitted to extend my remarks.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. Will the gentleman from North Dakota yield two minutes more to me?

Mr. YOUNG. I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Michigan is recognized for five minutes more.

Mr. FORDNEY. An article that can be produced in Canada at 10 per cent below our cost can be produced in Europe at from 20, 30, 40, or 50 per cent below our cost, while in the Orient the same article can be produced, because of the cheap labor of that country, at from 75 to 80 per cent below our cost. There is no way under existing law by which we can apply a duty that will be equitable and just to all those countries. We must have one rate for all the world. We have a constitutional right, however, to impose a maximum and a minimum provision in our tariff laws and direct the President of the United States to find out the difference between the domestic and the foreign costs in every country in the world and apply an amount of duty to offset that difference in cost and bring the goods from every country in the world into the United States exactly on the same basis with ours. That we have a constitutional right to do, but it would be a very wide departure from existing law.

My friends, as far as rates are concerned, this is purely an agricultural relief bill, covering the article described in this bill. Last year, the calendar year of 1920, we imported $1,660,000,000 of those goods from foreign countries. Will any man within the sound of my voice study those figures and then say that those importations into this country have not been a most serious menace and interference with the producers of those articles in this country? Certainly he will not, because of the facts.

There is a duty on sugar here in this bill of 2 cents on 96-degree sugar. That is the highest grade of raw sugar imported and takes that low rate of duty when entering this country. The Cubans will be permitted to import that same grade of sugar into this country at 20 per cent below those rates, or at $1.60 per hundred pounds. We produced in the United States last year 1,060,000 tons of sugar from beets, my friends; 860,000 acres of land were planted in sugar beets in the United States last year; a wonderful field. Why, it would constitute a field a mile wide reaching clear across this continent. Will you say that that is not an important industry?

We produced from beets last year one-fourth of our total consumption of sugar, and the gentlemen on that side of the House that do not agree with us on the protective theory will say that any duty that is placed upon sugar will be added to the price paid by the consumer in this country. Let us see whether that is true or not. Let us furnish the proof. Ever since the time we established the beet industry in this country, while domestic beet sugar is on the market, then is the time when the consumers of sugar in this country buy sugar at the lowest possible price, and the very minute our domestic sugar is disposed of and we are at the mercy of the refiners of imported sugar, then up goes the price.

In 1920 I appealed to the President of the United States to purchase the Cuban sugar crop, that then could have been purchased at 6½ cents a pound, and thus insure to the consumers of this country cheap sugar. But no; the President, at the advice of Prof. Taussig, refused to follow the advice of the Sugar Equalization Board and declined to do so. What was the result? They fixed the price on domestic beet sugar at 12 cents a pound, and it was not sold at a price above that during the whole year. They fixed the price of domestic sugar from the South, sugar produced from cane, at 17 and 18 cents, depending on the grade. But, my friends, we paid as high as 30 cents a pound on imported sugar, and the difference between the price paid for imported sugar above the price, namely, 6½ cents, for which we could have contracted, amounted to $588,000,000 in six months, which the consumers of this country paid. Why? We have control of monopolies in this country by our laws—I mean domestic monopolies—but we have no control whatever over foreign monopolies, and because of the fact that we did not produce the amount of sugar that our people consumed in this country we were obliged to go abroad for it, and we paid the penalty; and that penalty, gentlemen, would have built more than 500 beet-sugar factories at a cost of a million dollars per factory.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. YOUNG. Mr. Chairman, I yield to the gentleman three minutes more.

Mr. FORDNEY. That would have built, I say, 500 factories, each of which would grind a thousand tons of beets per day, and would have furnished more sugar than all the people of the United States consume annually. We threw that money away because of unwise administration. We throw money away every year because we do not foster our home industries more than we do. If we were to have a great war such as Germany had, and were driven from the high seas in time of war, as Germany was, what would we do for sugar when we produce but 25 per cent of our consumption in this country? Why, we would go without it. Then, my friends, when it is true, and when you know it is true, that when our domestic sugar is upon the market the consumers buy sugar at the lowest price, why should we not foster that industry and encourage American capital and American labor and build up productive institutions at home, and not come here to legislate in the interest of the foreigner?

Let me say to you, my Democratic friends, without criticism and with all sincerity, every man on that side of the House who votes against this bill votes in the interest of the foreigner and to the detriment of your own people who sent you here. There is no question about that, gentlemen. Millions of men are out of employment to-day in the United States and yet we are importing $300,000,000 worth of foreign goods every 30 days into this country to the detriment of our own people and our own institutions. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. McCLINTIC. I have no objection to the gentleman putting in statistical tables. Is that all the gentleman wants to put in?

Mr. FORDNEY. I imagine so, unless it would be an explanation of those tables.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. YOUNG. Will the gentleman from Texas use some of his time?

Mr. GARNER. I yield 30 minutes to the gentleman from New York [Mr. COCKRAN]. [Applause.]

Mr. COCKRAN. Mr. Chairman, this is an emergency tariff. That is the way in which it is described. It is a little difficult to say which is the emergency and which is the tariff. [Laughter.] If there be an emergency, as, indeed, there is—and a graver one than the framers of this bill, I think, conceive—I would be the last to oppose any measure that might tend to relieve the difficulties it has produced or threatens to produce. But I think this measure, far from relieving the emergency, will aggravate it enormously. In fact, I think it is difficult to calculate the evil results that may flow from its enactment.

Now, my friends, I ask you to believe that this is not any attempt at rhetoric. It is the sober statement of a conclusion which I think is inevitable from facts that are indisputable.

What is this emergency? There is a paralysis of production and of trade throughout the world; not perhaps, a complete paralysis, but such a contraction of it as is seriously endangering the prospects of livelihood to countless millions abroad and which, I think, portends serious calamities to us here at home.

Now, let me describe to you what I think is the character of the emergency, and then I believe you will appreciate the force of the objections to this measure which I shall have the honor to submit to you. But I do want especially to declare in advance—and I ask you gentlemen to believe in the sincerity of the declaration—that I do not regard this as a time when Congress can afford to extend any consideration whatever to matters of party advantage. You have had protection for a great many years. You have riotously on it, and you have had a fine time. But protection as you enforced it formerly was a method of distributing the profits of industry so that many producers had to contribute some of their products to the enrichment of the favorites and beneficiaries of tariff legislation.

It was vicious then and it is vicious now; but this pending proposal would be absolutely fatal under the conditions now prevailing throughout the country and the world. The condition with which we are now compelled to deal is not a distribution of profits. The period of profits has gone by. The question which confronts us is how to meet losses growing every hour, and which, in my judgment, portend results that it is difficult now to forecast.

The emergency which confronts us is a condition of industrial paralysis, and the paralysis is due to causes that are without precedent or parallel in the history of the world. I do not believe even the fall of the Roman Empire precipitated a more desperate condition in human affairs than that which under present conditions threatens humanity. I ask you to remember that you are not now considering conditions on which we can get any light from the past. Even the very terminology that I am compelled to use here will be wholly inadequate to describe the desperate character of the crisis confronting us. Terminology is bankrupt when it comes to describing either the late war or the conditions that it has produced. We all know that the function of words is to convey thought. Now, thinking is largely recollecting. Philosophers call it classifying concepts. I am employing a homelier but I hope plainer definition. If I speak of a table you know precisely what I mean, because your recollection calls up before your minds tables that you have seen. If I speak of a glass, why, it may recall recollections of gayer and livelier times [laughter], but it certainly arouses in your minds recollections of a certain useful vessel. When we talked of a battle, formerly, it called up before the mind a conflict waged between a few hundred thousand men at the most, over an area 7 or 8 miles long, and lasting at the utmost perhaps three days. To-day a battle line extends over a thousand miles, the battle lasts for five years, it is conducted not by a separate part of some population trained to arms, but by whole populations. Formerly the ravages of a war were largely repaired by the harvest of a single year.

But in carrying on the conflict just closed the resources of the whole world have largely been destroyed, in fire and smoke and violence. Ten millions of human beings have been killed. Ten millions more were wounded, maimed, rendered incapable of effective industry. And these men were not old or decrepit or indifferent industrial forces. They were in the very flower of their industrial capacities. Three-fifths of all the capital of the world has been destroyed in that conflict. This world is now emerging from that desperate cataclysm and staggering and in danger of total collapse.

My friends, perhaps I may ask you to consider these conditions a little further, so that you may understand more clearly the unparalleled character of the task before the world. The peculiar feature of the progress which marked the last century was, as everybody knows, an enormous growth of population throughout the world. Now, that growth of population centered almost entirely in cities. Rural populations have been stagnant where they have not declined. The city of New York had about 30,000 inhabitants at the end of the last century. To-day 6,000,000 human beings are dwelling there, and must gain their subsistence there. Other cities show exactly parallel conditions. Perhaps no other city has shown such an enormous growth, but growth on a continuing scale has been the rule of cities everywhere. Now not one human being among all these vast aggregations of men and women in cities produce the means of his own subsistence.

For everything that enters into the conditions of his life, for the food that he eats, the clothes that he wears, the elements of the building that shelters him, the raw materials of his industry, he is dependent upon labor exercised in every part of the world. Not by the labor exercised here in this country alone can the millions of New York keep alive. Labor exercised wherever human hands are active, wherever a man is working; whether it be cultivating an agricultural field or tending flocks on the Australian plains, or delving in subterranean galleries for the mineral treasure which the earth contains, or gathering from bending boughs under tropical skies the fruits that constitute the luxuries of our breakfast tables is contributing to the life of cities. Every human being who toils on the earth, though conscious perhaps of no greater motive than to gain means for his own subsistence, is producing the commodities which constitute that upon which the existence of every city depends. I do not believe that anybody will dispute that assertion, although the fact may not have occurred to some.

Now, before the war, in every city of the world at least 90 per cent of the population even in New York—and there I think the conditions of urban life were at the highest—lived literally from hand to mouth; that is to say, they depended for subsistence on the wages they could gain from their daily toil. But if they lived from hand to mouth while the world was more than twice as rich, while every part of the world was engaged in active industry and sending here to our marts products of human labor, there to be exchanged for the products of our own

industry, how are these communities to live now; how are they to be supported?—not in affluence but in possession of the barest necessities.

My friends, there are a good many here I am sure—among them the chairman of the Ways and Means Committee—who can remember the panic of 1873. Many more can remember the panic of 1893, and a great many more the panic of 1897. Some of us even are familiar with the panic of 1857, not by personal recollection, but by what they gathered in their younger days from persons who had been observers or victims of it. Each of these panics was caused by what? By a slight derangement in the processes of exchange. The panic of 1873 was caused by the necessity of bringing a currency depreciated about 17 per cent to par under the operation of a resumption act which was very salutary and well worth the price that its enforcement cost. The panic of 1893 was caused by a slight doubt as to the value of the coinage that this country would emit. I mention these two cases because they are within the recollection of many of us. Is it not well before our minds that after each of these disturbances there followed a period of depression extending from four to six years—a period of dismal, dreadful recollections—a period when men in countless thousands were driven day by day out into the highway seeking a market for their labor, and driven back at night unsuccessful in the search, driven back to homes where the fires of plenty had long since died out on the hearthstones, where they were often compelled to confront the dismal spector of famine as the gaunt wolf that we call hunger tugged with ferocious fangs at the breast of the mother or breathed a pestilential breath on the cheek of the infant? And during all those dismal times the earth was just as full of treasure as ever it was, the fields were just as fertile as ever they had been. The farmers whose harvests were abundant burned corn for fuel because the people of the cities had produced nothing to exchange for agricultural products, or at least the products of urban industry were greatly reduced.

Thus we see how a slight disturbance in the machinery of exchange brought the farmer to the verge of ruin and at the same time brought destitution and desolation into countless homes that sheltered American labor.

Now, my friends, I ask you, if conditions such as those followed six years' industrial disturbances which were comparatively slight, what must be the conditions we are facing now, where industry has not only been disturbed but largely destroyed, where exchange has not simply been restricted but where three-fifths of the capital of the world has been sacrificed, and where the flower of industrial youth in a large part of the world has been destroyed? How long do you suppose the panic now upon us must last? Panic is not the proper word to describe it, because panic means exaggerated fear. But the gravest feature of present conditions is that disaster, which no amount of wisdom can entirely avert, is approaching inexorably and the world does not seem to realize it. I wish to assure the Republican side from the bottom of my heart that as I sat here in my seat and listened to the President of the United States describe the task that confronts him I extended to him a sympathy deeper than I ever before extended to a human being. I know the difficulties of his task. I think I appreciate them even more keenly than he. For I know that we are to-day facing conditions graver and darker than the world has ever known in its whole history. Teeming populations called into existence during the last century through abundance created by the march of invention and ever-improving organizations of industry are now confronted with a diminution of supplies absolutely essential to the support of human life. Unemployment projects over cities the black shadow of a distress so terrible that the mind recoils from contemplating it. What is the remedy that is proposed here? Why, we are told that there have been too many commodities received into this country. While the cost of existence has been mounting skywards, we are told that means of subsistence have been made too abundant by importation. The chairman of this committee absolutely complains that supplies embracing necessaries of life have come from abroad. Gentlemen, there are not many places in the world that can furnish us with supplies of food to-day. I wish there were. My apprehension is that you will see soup houses and long, dreary lines of famishing men and women driven again to ask from the hand of charity the bread they will no longer have an opportunity to produce by the labor of their own hands.

And how is this situation to be met? We have a bill here deliberately and avowedly designed to erect barriers between these multitudes threatened with dire distress and the supply of commodities essential to their existence. I repeat, Mr. Chairman, I am not now discussing an ordinary tariff proposal as a matter of politics. I am not speaking now of different plans to increase or diminish our prosperity. I am appealing for the very existence of vast multitudes dwelling in cities, and I am warning you of conditions more dreadful than we can even conceive. The gloomy periods that followed former panics which we recollect, when we saw men and women suffering in silent woe from the distress caused by a slight derangement of the industrial machine, were very different, I fear, from the conditions now looming dark and sinister on the horizon. My apprehension is now that when these bread lines reappear, as they will unless we can take effective measures to avoid the perils overhanging our cities, starving men and women may not stand in silent, submissive woe as they did in the past. We have been passing for five years through a period where men who work have been instructed and encouraged to believe that they are entitled to a comfortable means of livelihood. And so they are, if God Almighty supplies the means. But the difficulties about wages which to-day are agitating the world—threatening the very fabric of society in England at this moment as it has never been threatened before—we can not avoid by legislation, because the sources from which wages must be paid have run low by diminution of production. There is no source from which a laborer can be paid wages except the product of his own labor. If he is making tables, he must be paid from the sale of tables. If he is working on a railway, he must be paid from the earnings of that railway. Whatever his occupation may be, his wages and the profit of his employer must come from the same source; that is to say, the property produced by their cooperation. Whenever that product is diminished, then the source of wages as well as of profit is drying up. Then the world is face to face with the problem that now confronts it and which is pressing on us for solution.

I would not state this so clearly as I am doing now if there were not a way out, and there is. But it lies not through making things scarcer, but by making them more abundant. Here is a measure avowedly intended to make commodities scarcer by shutting out foreign supplies and thus put up the cost of living in cities. My friends, you come here with a bill for the relief of the farmer. No one is more anxious to relieve him than I. But when you offer him relief I want to ask you where did you get it? You are not magicians who can call anything from the earth by any other method than the labor which God Almighty declared was the condition of all production. You have no power by legislation to produce a single thing that a human being can use. All you can do is to divert from men who have produced commodities some of their products for the benefit of others. If you intend here to benefit the farmer by getting him higher prices, the people in the cities must pay what you purpose to give him. And people in the cities by millions, as the gentleman from Illinois declared a few moments age, are now unemployed. How, then, can they pay the farmer anything for his product? Surely it must be clear that if unemployment spreads the farmer will be without any market whatever, and you will have again exactly the condition you had before, no matter what tariff law you pass——

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

Mr. COCKRAN. In a moment. You will have the same condition that prevailed when the farmer was compelled to burn his corn for lack of a market. I yield to the gentleman from Illinois.

Mr. MADDEN. Does the gentleman think that the unlimited influx of commodities from abroad to the American markets will aid in giving new employment to the unemployed?

Mr. COCKRAN. That would be precisely the effect which it would produce. But I want to compose my friend from Illinois and possibly remove any apprehension he may have about such a flow of goods into these markets.

The things which you give the people who send goods here must be produced by our own laborers. They must be taken from the bosom of the earth; and in exchanging your products for theirs you furnish the means by which commerce and industry will be made active and human beings fed from the profits of both.

Now, my friends, I repeat that it is not an occasion for seeking partisan advantage. Believing, as I do, that the country and the world are face to face with a crisis such as never before confronted the human family, I know that the world would now be in sight of relief if there were an abundant flow of commodities amounting to millions, aye, to billions of dollars into our ports and there made available for the subsistence of human beings. For such goods could not be paid for otherwise than by the fruits of labor exercised by Americans on their own soil. The first essence of prosperity, aye, of subsistence—remember we are not talking of prosperity now, but of subsistence—and the condition of prosperous subsistence is to bring abundant supplies into our cities and send other supplies out,

thus quickening the movement of industrial life throughout the world. My friends, I feel that before sitting down I ought to say one word to show I am not preaching solely a gospel of despair. I do think, desperate as these conditions are, that they may be made the means of reaching prosperity in this world such as never before has been achieved—greater than we now can conceive. After every great war that has devastated the world one of two consequences always followed. Where the war was dynastic, waged for the gratification of political ambitions, a period of profound depression ensued, lasting through generations. Such was the result of the Thirty Years' War and the War of the Spanish Succession, that terminated with the peace of Utrecht in 1715. On the other hand, after the wars of the French Revolution, the most devastating that up to that time ever occurred, the world passed into a stage of prosperity such as it never had before known. The exhaustion caused by 25 years of practically continuous conflict caused men and women everywhere to turn from destructive military enterprises to productive industrial enterprises. And providence, as if pleased to encourage a disposition so wholesome, reinforced the productive power of human hands by a succession of extraordinary inventions, which in the course of little more than a generation produced the most profound revolution ever effected in conditions of human life.

A revolution so profound that anyone who contrasts conditions of life 30 years after the Battle of Waterloo with any the world had ever known before would seem to be considering a wholly different planet, inhabited by an entirely separate race of animated beings. It was said by some one whose name I can not now recall, that it took William Pitt as long to make the journey from York to London as it did Julius Cæsar. When we realize the great care which the Roman rulers bestowed upon highways to their outlying Provinces I think it safe to say that the Roman conqueror made the journey in less time before the Christian era than it took the English statesman to make it at the close of the eighteenth century. Now, the significance of that remark is this: In the 18 centuries which elapsed between the death of Julius Cæsar and the death of William Pitt industrial conditions throughout the world had undergone practically no improvement whatever. Means of communication were no better. Implements of production were no more effective. The industrial capacity of men's hands was no greater. But just as soon as the world turned from destructive enterprises of war to productive enterprises of peace and absorbed itself in them those great inventions appeared by which darkness was dispelled and every hour of the 24 made available for the great task of production. Distances were annihilated and journeys were accomplished in a few hours which formerly took months to complete. The very atmosphere through which men had formerly hurled missiles of destruction at each other became an effective agency for exchange of human thoughts, through which their cooperation was promoted. All these were the results of a war which had wiped out economic conditions which had long been outgrown and which therefore had become oppressive. The abolition of feudalism made possible effective cultivation of the soil. The economic effect of the French Revolution was to enable land to be freely alienated or sold. It became possible for a man to buy land and cultivate it, and the result was a greater advance in the nineteenth and the beginning of the twentieth century than all the centuries that had preceded them.

Now, to-day the world is face to face, I think, with an opportunity to achieve even greater advantages.

Let the world disarm—not partially or in the future, but completely and at once—let all human energies be turned into production, none diverted to war or preparation for war, and the ravages of the dreadful conflict just closed would be remedied in five years. With men everywhere employed for production all the inventions that have been produced by human ingenuity, a state of society would be produced where six hours of labor would be sufficient to give every man abundant support for himself and his family. There is only one way by which the world can reach prosperity, and that is by putting out of the hands of men all weapons of destruction and putting into them—into all of them—implements of production. It is not a question whether the world will disarm or continue to maintain huge military establishments by land and sea. It has become a question whether nations will disarm now, when something is left by which industrial conditions can be restored, or whether they will delay disarmament until the weapons are forced out of men's hands by collapse of the whole industrial structure.

The burdens of war and preparation for war are seriously menacing the very existence of civilized society. You see in England the whole social system rocking on its foundations and in imminent danger of total collapse. In a few hours it may be in actual desolation. It is assailed not by foreign foes or domestic rioters but by men on whose cooperation in production the life of the community depends. Those miners are not anarchists or socialists or soviets. They are Englishmen, I think, profoundly attached to the institutions of their country and eager to maintain the civilization from which they have derived great benefits in the past. But they are face to face with conditions under which they can not live. Their employers are unable to pay the wages necessary to support them in comfort or even in decency, because the industry is no longer profitable and there is no other source from which wages can be paid. The Government is not able to supplement from the Treasury the inadequate wages which the employers can offer. Remember that money can not be taken out of the Treasury by an appropriation until it is first put into the Treasury by taxation. And the English treasury is in difficulty because the power to produce increased revenue in England is exhausted, as it is being rapidly exhausted here. You can not obtain the revenue necessary to support this Government unless industry is maintained: nay, unless industry receives a stimulus. The decline of revenues already is very sinister. Let us beware how we depress any further the power of people in cities to support the Treasury by increasing the cost of subsistence to them through legislation such as this. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. Mr. Chairman, I yield eight minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I am glad to follow the distinguished statesman and orator who, as I did, served in this body some years ago, and I want to get you friends of mine on this side of the Chamber to know him well and not judge him entirely by his remarks of to-day. [Laughter.] When you hear his silvery tones and witness his magnetic presence pleading for self-determination, you will get his real spirit and the breadth and depth of his heart and conscience. But he flounders some when he attempts to reestablish the doctrine that he used to maintain years ago, that the way to make people happy in this country and the way to give employment to the farmer and the laborer is to buy what they make and produce from some other country. [Applause on the Republican side.] We tried his policy. As he remembers, I voted for the McKinley bill, that gave prosperity. There were no farmers burning corn under the McKinley bill. The men in the towns were busy, and their stomachs were full, because they had a job and could buy what the farmer was producing. You can not help the man in the factory without helping the man on the farm, and you can not help the man on the farm without helping the man in the factory. [Applause.]

But they rejected the McKinley bill temporarily and put the Wilson bill in place of it. That was when Grover Cleveland, the great statesman, became the great smoke extinguisher of this country. All the fires went out. The farmers might as well have burned their corn in Illinois and Iowa, as they had no market for it. Why? Because the factories were idle. Men were hungry, because they did not have the price to pay for what the farmer raised. Those were days in which the farmer was not prosperous. Those were the days that my dear old friend and my honored colleague is pleading shall come back again, when you shall make the farmer happy by encouraging the shipment of farm products of other countries into this country and make the shoemaker happy by buying shoes somewhere else.

Now, Mr. Chairman, I was given this eight minutes in which to say a word to you in regard to the present peace proposition, because this is the only way I can get it before my colleagues. It is one of very deep importance to the people. We Republicans committed ourselves to a declaration of peace, and under this rule as to general debate I may be allowed to simply call your attention to the wishes of the President as expressed by his message here the other day. There is pending in this House a straight resolution, which I first introduced a year and a half ago, setting forth that this country is in a state of peace. Under the decisions of the Supreme Court of the United States, if that resolution is passed the President can either sign it as a joint resolution or he may let it go as a concurrent resolution and by his proclamation fix the date of peace.

The President in his message said:

> Such resolution should undertake to do no more than this to declare the state of peace, which all America craves.

We are having called to our attention a resolution offered by one of the most distinguished statesmen, honored and beloved in his own State of Pennsylvania, as he is in Illinois, a resolution of peace, that in my humble judgment puts the President in leading strings and tells him under what condi-

tions he shall make terms of peace. If you will be kind enough to do yourselves the justice to read that resolution you will find it does not mean peace but that it means a continuation of war. The resolution itself provides for a repeal of the declaration of war; a simple declaration of peace does that without any special act of Congress. Second, after going on to say that that is repealed, the resolution says the war is declared to be at an end, "*Provided, however.*" Then are set out conditions which tend directly to instruct the President of the United States as to how he shall proceed and what shall be contained in the commercial treaty that he may negotiate between the United States and the German people.

A declaration of peace is one thing; a treaty—commercial, political, or a treaty of peace—is quite another thing. For the legislative branch to attempt to negotiate a treaty of peace, or for the Congress to attempt to instruct the President as to what must be in a treaty of peace, is a usurpation of Executive power by the legislature. We have had that usurpation by the Executive of legislative power, but that would not justify retaliation by the legislature on the present Executive. The Senate, being a part of the treaty-making power, might within its rights say what must or must not be in the treaty with Germany, though it would be almost without precedent and certainly without reason at the present time; but to ask the House to pass a joint resolution saying what shall be in the treaty with Germany is to ask us to assume a power we do not have under the Constitution.

The proposed Senate resolution is in fact an instruction and a declaration by Congress, saying to the President of the United States that all claims of Germany must be yielded, and that in certain things the claims of the German nationals must be yielded. There are no claims that can be presented under international law against this Government by Germany. War ends all treaties, and when Germany went into Belgium she threw into the wastebasket all the treaties she had with all the nations of the world that went to war against her. It is a mere imaginary thing that Germany may bring such claims.

Suppose we, as the legislative branch of Congress, should pass that resolution to-day. Do not, for Heaven's sake, my colleagues, get it into your minds that this body is not just as important in declaring war or declaring peace as the Senate of the United States.

We can not be simply hand washers here and leave it all to the President and the Senate. We must do our share. We are part of the war-making power and we are part of the peace-making power, but we are not a part of the power under the Constitution to negotiate treaties. Suppose we pass that resolution as it should come from the Senate, and the German Government, having three or four different factions in the Reichstag, should hold it for a year?

I only desire to set out in connection with these remarks the statement by the President.

If we should pass a resolution which opens negotiations and the German Government declines to accept it we are still left in the position of being in a technical state of war when, as the President of the United States said here the other day, that should be ended. It can be ended by a straight declaration of peace and a proclamation by the President of the United States, as Andrew Johnson did at the close of the Civil War. That makes peace. That does not assume to put the President in leading strings or attempt to tell him anything about what the foreign policy of this Government should be. That is in the power of the Senate and the President. If Germany should reply that they are not satisfied with the resolution, then we are usurping the power of the Executive in attempting to negotiate the provisions of a treaty, or that which amounts to a treaty of peace.

I have only a few minutes now, but at some other time I hope to discuss this matter, at the first opportunity I get, and I ask you, gentlemen, to realize that you are part of the peace-making power and not a part of the treaty-making power, and I ask you to consider the statement of the President as to the declaration of peace, without stating to him what shall be the conditions of the treaties that he makes. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GARNER. Mr. Chairman, I yield 20 minutes to the gentleman from Arkansas [Mr. OLDFIELD].

The CHAIRMAN. The gentleman from Arkansas is recognized for 20 minutes.

Mr. OLDFIELD. Mr. Chairman and gentlemen of the committee, of course there is no denying the proposition that serious conditions confront the country, not only in the farming sections but also in the manufacturing sections. The farmers can not sell their products because there is no market. In the industrial centers of the country 4,000,000 men are out of employment because their employers can not sell the products of their factories. Hence I say this is a serious proposition.

I have tried to study this question impartially and without any partisanship, and I concede frankly that that is somewhat difficult to do; but, gentlemen, I can not for the life of me understand how any gentleman on either side of this House can afford to tell his constituents or to tell the country that a duty of 35 cents a bushel on wheat will help the wheat farmer, because while we imported 35,000,000 bushels of wheat last year, we exported 218,000,000 bushels. And in addition to that, gentlemen, the imports of wheat are decreasing every day at this time. In other words, there was more wheat imported into this country during September, October, and November of last year than has been imported into this country during December, 1920, and January and February of this year, 1921.

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

The CHAIRMAN. Does the gentleman from Arkansas yield to the gentleman from Minnesota?

Mr. OLDFIELD. Yes.

Mr. KNUTSON. Is it not true that the imports are always greatest at the time the crop movements are at their heaviest?

Mr. OLDFIELD. Yes; and the exports are also greater at that time, I will say to the gentleman.

Mr. KNUTSON. Of course, that follows.

Mr. OLDFIELD. Yes; both exports and imports are probably greater. But on the whole we import 35,000,000 bushels of wheat in a year and we export 218,000,000 bushels of wheat in a year. Then why put a prohibitory tariff on wheat? I can not see the sense of it, gentlemen.

They have done that same thing all through this bill with respect to other agricultural products. You have placed 15 cents a bushel duty on corn, and every person who will stop and think will realize that 15 cents a bushel duty on corn is not going to help the farmer. It is silly and ridiculous, as I believe, and I do not think that you can make the farmers of this country believe in any such thing as that.

On beans and other food products, where exports and imports are practically the same, a duty is also imposed. You want the consumers of beans to pay an additional price of $1.17 a bushel for their beans, because in that case the tariff will be added to the price in this country, because, as I say, the exports and imports are about equally divided.

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

Mr. OLDFIELD. Yes.

Mr. KNUTSON. Has the gentleman differentiated between the different kinds of beans—navy beans, Lima beans, and soy beans, and so on?

Mr. OLDFIELD. If they are not the same kind of beans, there should be no duty at all.

Mr. KNUTSON. This is on Lima beans, not the navy beans.

Mr. OLDFIELD. They are beans that people eat, I presume. Take rice. I know the rice producers are in a bad way, because they produce rice in my district. There is a serious condition with them. Last year we imported 60,000,000 pounds of rice and we exported 392,612,000 pounds of rice.

And yet you put 2 cents a pound on rice, when we export more than six times as much rice as we import. How do you expect that to help the rice farmers of this country?

Last year we imported 2,295,000 pounds of pork. Yet we exported 900,000,000 pounds of pork. You put 2 cents a pound on fresh meat and pork in this bill. Gentlemen, why have you done that? You can not help the farmer on a proposition of that kind. It is impossible to do it. But I will tell you whom you will help in this bill. Since you have introduced this bill again and are seriously asking the Congress to pass it, I believe I understand now why in the last Congress you defeated the bill known as the packers' bill. You would not pass the packers' bill through the last Congress to regulate the Meat Trust of the country, but, on the contrary, you come here to-day and ask the people, the consumers of this country, to pay 2 cents a pound additional on every pound of pork and beef that the packers of this country control and sell to the people. That is not fair or square to the people who are the consuming masses of this country. [Applause.] The farmers can not add this tariff to their product, because they export more than they import, and the packers of the country furnish and sell to the consumers of this country 99 per cent of the meat products consumed in the country. They have a strangle hold on the farmers and stock growers on the one hand, because there is nobody for them to sell their live stock to except the Packing Trust. They control the farmers and stock raisers on the one hand, and on the other hand they have a grapple hold on the consumers of America, and you are helping the Meat Trust if you support this bill, because they are in a position to add the tax

to their price, and if you give them an excuse they are going to add the tax unless the people of this country quit eating meat. That is the situation. I do not think you ought to do it. I do not think you ought to try to mislead the American farmer in that sort of a way, because he can not possibly get anything out of it, and at the same time turn over not only the farmers but all the consumers of the country to the Packing Trust on this proposition of beef and pork, if you please.

What else? They have tried to fool the corn farmer here by placing a duty on cottonseed oil. Yet last year, while we imported 9,422,000 pounds of cottonseed oil, we exported 184,753,000 pounds of cottonseed oil, and when they appeared before the committee we made them admit that they did not need a tariff duty on cottonseed oil, but they said they needed it on some other oils. Yet the committee insisted on putting it in the bill after they knew that the witnesses had testified that it was not necessary from any protective or other viewpoint.

What else have they done in this bill? Of course, you can not help the farmers in this way. It is impossible to do it. But I will tell you when the farmers will be helped. They will be helped when they have a market for their surplus products, and not before. When Europe, our great purchaser of surplus farm products, gets on her feet again. When the people of Europe become stabilized socially, politically, and economically, then we will find a market for our surplus farm products, and not before.

What else have you done? You have given the Beef Trust the best of it here, and every man in this House must know it. What else have you done? You have given the Sugar Trust the best of it. Why? Because you boost this tariff to 2 cents a pound on sugar. What does that mean to the consumers of America? I should like to ask you Republicans over here, especially those of you who live in the districts where there are three or four million men out of employment, where do you expect the laboring man who is out of employment to get money to pay this extra cent on sugar? You are placing a burden on the people who have to eat sugar and meat products. If they are not employed, how do you expect them to pay the price? Do you think it is fair and just to those people that you increase the cost of living to them, and at the same time do absolutely nothing for the farmers of America? Yet you have placed in this bill a provision which, in this duty of 2 cents a pound on sugar, will mean $190,000,000 to the American consumers of this country, and only half of that money will go into the Treasury of the United States. One-half of it will go into the pockets of the sugar producers and refiners of the country. It seems that you Republicans can always get together on propositions of this kind. I expect you all to vote for this bill, because I have always noticed that when Democrats and others attack the Sugar Trust, the Beef Trust, and these other trusts, it invariably lines up the Republican Party in their support.

Now, gentlemen, what else have you done in this bill? I want to say a word about wheat. The imports of wheat are decreasing right now, and in the last three months those imports decreased 983,462 bushels. Our exports of wheat have also decreased 26,899,066 bushels. Of course they decreased, because our former purchasers in Europe have nothing with which to buy. But the imports also decreased. Take peanuts. The imports decreased 3,000,000; but our exports also decreased 1,139,000 pounds. Our imports of rice decreased 3,786,000 pounds, but our exports also decreased 80,945,000 pounds.

My friend the gentleman from North Dakota [Mr. YOUNG], of whom I am personally very fond, talked about 100,000,000 pounds of wool being on ships now to be unloaded in our ports. Great God, who is going to buy that wool? Because every word of the testimony before the Ways and Means Committee showed absolutely, if you can believe anything they say—and I am inclined to believe what they said, because I know the conditions in Arkansas and Oklahoma and my part of the country in regard to cotton, and they are the same in regard to wool—every word of testimony before the Ways and Means Committee showed that you can not sell it at any price. They testified that they could not sell wool at any price. Then how is the gentleman from North Dakota going to unload the 100,000,000 pounds of wool from these ships when they can not sell the wool at any price?

Mr. YOUNG. Store it.

Mr. OLDFIELD. If they store it, who are they going to sell it to? You are going to help the wool speculator instead of the wool producer. [Applause.]

Mr. YOUNG. Will the gentleman yield?

Mr. OLDFIELD. Yes.

Mr. YOUNG. If we pass this bill when we ought to we will send that wool back on the ships that it came over on.

Mr. OLDFIELD. I very much doubt if you get it through the Senate in time to do that.

Mr. KNUTSON. Will the gentleman yield?

Mr. OLDFIELD. Yes.

Mr. KNUTSON. The gentleman will admit that if that hundred million pounds of wool is landed here it will be used to further depress the market on wool?

Mr. OLDFIELD. I doubt if it would have that effect, for the reason that it is shown that there are 700,000,000 pounds of wool now stored in Boston. They say that they have a two years' supply on hand. How could 100,000,000 pounds affect the wool market? Now, let me show what the United States Market Reporter said on April 2, 1921:

> The rush to get wool inside the customs district of the United States in anticipation of a tariff duty is largely responsible for the heavy imports of wool during the months of January and February, when the quantity received amounted to more than 63,000,000 pounds. The very interesting fact brought out by a study of the wool import trade of the United States during the past year, however, is that the actual imports for January and February were nearly 3,000,000 pounds less than for the same period of 1920.

What does that mean, gentlemen? It means that the people of this country will not buy the surplus product of other countries when they can not sell the surplus product of our own country. That is the trouble with the automobile business in your city to-day—the export trade is cut off. Gentlemen, we can never get back to the normal state of affairs until the world is settled. You can not do it by a tariff bill like this, or any sort of tariff legislation.

I think you are going to be the worst disappointed set of gentlemen in the country when you find out the result of this bill. You must know that 35 cents a bushel on wheat is not going to raise the price of wheat. It will enable the Sugar Trust to do it; it will enable the Beef Trust to add the tariff to the price of their products. It will enable the wool speculators of this country, who have stored up 700,000,000 pounds of wool, a two years' supply—it will help them and nobody else.

Now, I am getting tired of discussing this bill—it was discussed two or three times during the last session—but I do want to put this statement in the RECORD:

What the farmers of the country need is not a tariff on farm products but a market for products of the farm. They can not sell their products in many instances at any price. Anybody would be foolish to import farm products into this country when we have more now than we can sell. There is a provision in this bill which will automatically increase the tariff rates as against Germany 500 per cent; Austria, 2,000 per cent or 3,000 per cent; Italy 100 per cent; yet Italy is one of our allies in the World War and owes us a great deal of money. Why should we discriminate against her? Conditions have changed since the Payne-Aldrich high protective tariff bill was written. Then we were a debtor Nation; now we are a creditor Nation. Europe owes us some $15,000,000,000, and she can not pay us or her other debts if she is not permitted to sell her products in the markets of the world, and our country is a big part of the world. The South is greatly interested in this bill, because you are attempting to crush economically some of the purchasers of our great crop—cotton. In 1920 we exported more than a billion dollars worth of raw cotton. Great Britain took $489,000,000 worth; France, $114,500,000 worth; Germany, $110,000,000 worth; yet you by this bill would raise the tariff 500 per cent, which would cut off trade between our country and Germany. She can not buy our cotton unless she sells us something. Italy bought $103,000,000 worth of our cotton last year; yet you want to boost the tariff wall against Italy, one of our associates in the war; 100 per cent and make it impossible for her to buy our cotton, because she can not buy our cotton unless she sells us some of her products.

President Harding stated in his message on Tuesday last that we can not sell unless we buy. The result of this legislation is going to be retaliatory tariffs by the other nations against us. Canada, Argentina, Spain, Italy, and France—some of our greatest customers—are preparing to pass retaliatory tariff laws against this country, and will do it if this bill becomes a law. This means trade war, and trade war is only a step in advance of war with shot and shell. A fierce trade war preceded and led up to and caused the recent World War, in which 10,000,000 lives were lost and $300,000,000,000 worth of property destroyed. I appeal to all Democrats not to be a party to bringing on another such holocaust. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the minority views by Mr. KITCHIN. He has made one correction.

There was no objection.

The minority views are as follows:

VIEWS OF THE MINORITY.

"Mr. KITCHIN, on the part of the minority, submitted the following views of the minority:

"The policies and principles advocated by the Democratic Party and inspiring the continued maintenance of its organization for nearly 100 years forbid our approval of the pending bill and impel us to vigorously protest against its passage.

"Approval of this bill by the Democrats in Congress would be a complete surrender of such principles and abandonment of such policies, and a confession that for over a half century the Democratic Party has been wrong and the Republican Party right on the tariff. Further, it will be an admission that there is no need for the continued organization of the Democratic Party. Such approval would be an urgent invitation to the farmers of the country, especially of the West and South, to go bodily into the Republican Party—the party of tariff robbery—as the only means of their future salvation.

"The rates in this bill are higher than those of the Dingley Act or of the Payne-Aldrich Act, although the Republican platform of 1912 declared that its rates were too high and should be reduced, or of any tariff bill ever enacted by Congress since the beginning of the Government, and higher on similar articles than any tariff ever enacted by any civilized country in the world in the last 250 years.

"We appreciate the embarrassment of the Republican Party in the present situation. In the recent campaign it promised the farmers of the West, if elected, it would restore the high prices for wheat, corn, live stock, and other agricultural products, and to the people of the East it promised to reduce the high cost of living, especially with respect to food products. Finding in the present situation that it is impossible to restore wheat to $1.50 to $3 per bushel, corn to $1.50 to $1.90, and cattle and hogs to 10 to 20 cents per pound, and at the same time reduce the cost of bread and meat to the consumers, they have now decided to break faith with both the farmers of the West and the consuming masses of the East and to keep faith with the Sugar Trust, the Meat Trust, and the Woolen Trust, and the wool speculators, the direct beneficiaries of the pending bill.

"If the pending bill does what its authors and advocates claim to the farmers it will do, and operates according to the theory of Republican protection, the price of wheat will be increased after its passage 35 cents a bushel, wheat flour to 20 per cent ad valorem, corn 15 cents a bushel, meat and beef 2 cents a pound to 25 per cent ad valorem, sugar 1½ cents per pound, wool in the grease 15 cents per pound, scoured 45 cents per pound, rice a cent a pound, beans 2 cents a pound, all woolen goods and wearing apparel 20 to 30 per cent ad valorem, potatoes 25 cents per bushel, onions 40 cents per bushel, butter 6 cents per pound, cheese 23 per cent ad valorem, milk 2 cents per gallon, apples 30 cents per bushel, all of which except sugar, wool, and rice are largely export products, and all of which are absolute necessities. According to the Republican claims and protection theory, the pending bill will add to the present cost of living over $2,000,000,000—all of this amount will go to swell the fortunes of the profiteers and speculators.

"This bill, if passed, is worth to the Sugar Trust a year at least an additional $125,000,000; to the Meat and Beef Trust, the packers, over $550,000,000; to the Woolen Trust over $100,000,000, and the cost of living to the consumers will be increased on these articles alone, controlled by these trusts, over $775,000,000. Who but a trust-controlled Republican can afford to put these burdens on the people for the benefit of the trusts and speculators in farm products even if he does get a few cents protection on some article produced in his district?

"We take this opportunity to reassure the Democracy of the Nation that the Democrats in Congress will take no back track on the tariff. To us Republican protection is no better now than when the Tilden platform of 1876 denounced it 'as a masterpiece of injustice, inequality, and false pretense.' It is no better now than when the Cleveland platform of 1892 denounced it as 'a fraud—a robbery of the great majority of the American people for the benefit of a few.' It is no better now than when the Parker platform of 1904 denounced it 'as a robbery of the many to enrich the few.' It is no better now than when the Wilson platform of 1912 denounced it 'as a system of taxation which makes the rich richer and the poor poorer,' and when it further declared that 'under its operation the American farmer and the laboring man are the chief sufferers. It raises the cost of the necessaries of life to them, but does not protect their products and wages. The farmer sells in free markets, but buys almost entirely in protected markets.' We give unqualified approval to the clear and emphatic declaration of the Democratic platform of 1920: 'We reaffirm the traditional policy of the Democratic Party in favor of a tariff for revenue only.' It is a sorry time for Democrats now to repudiate all these party declarations of its policies and principles.

"*We remind our fellow Democrats in and out of Congress that while by the crushing defeat of last November the Democrats were compelled to surrender to the Republican Party the offices, that defeat, however disastrous, obligated no Democrat to surrender to the Republicans the principles of his party.* Let us ask, When did the principle of Republican protection become sound to the Democratic mind? When did these professions of principles and policies lose their virtue? This country is not big enough for two protective tariff parties. It needs but one party in this country to make the millions pay tribute to the favored few. The country already has a party that has made a triumphant success of legalized plunder for more than 50 years, and we are opposed to the Democratic Party entering the field of competition with it. If there is a Democrat in Congress or elsewhere who is fooling himself into the belief that by our party embracing the doctrine of protection, or his vote for protection, though it be on his home industry, he is going to keep within the folds of the Democratic Party or bring into its ranks the men who favor such protection, then he should at once undeceive himself. A sensible protectionist will go to the party that has taught and practiced protection for 50 years, and not to the party that has always opposed it. Every man who desires special legislation for his special interest knows that his place is in the Republican Party. He will join the party that has made a success of robbing all the people for the benefit of the few.

"While one may have been justified in voting for the original Fordney emergency bill in December of last session there can be no justification for one to vote for this bill on the plea that it is in the interest of the farmers. The original Fordney emergency bill, if there was any benefit at all in it, inured to the advantage of the farmer. The importations of several agricultural products for the three or four months preceding the passage of the Fordney bill in the House, to one who had not had the time to study or investigate the situation (and it was rushed through in such a hurry that no one had the time to do it) looked somewhat alarming. *The present bill is as unlike the original Fordney bill as night is day.* Conditions now are entirely different. Then the bulk of the crops of 1920 were in the hands of the farmers; the bulk of the crops are now in the hands of the speculators and trusts, and this bill will expire in six months, before the crops of 1921 are harvested. The original Fordney bill had no protection or gratuity in it to the Sugar Trust. The present bill has added at least $125,000,000 bounty to the Sugar Trust. The original bill had no gratuity to the Packers Trust. The pending bill has hundreds of millions of dollars protection or gratuity to the Packers Trust. For the last three months instead of imports of agricultural products increasing, as they did for the three months preceding the Fordney bill, they have been rapidly decreasing—from 50 to 75 per cent decrease from the imports in the three months preceding the passage of the Fordney bill. In fact, the former bill had the appearance of protecting or relieving the farmer. An analysis of the pending bill shows that it has not the appearance of protection or benefit to the farmer, and a purpose of protecting or relieving the farmer is absolutely absent from it. It has been converted into a trusts and speculators relief or profiteering bill.

"As an evidence of the insincerity of the Republican leaders in Congress in their pretended efforts to benefit the farmers, according to the Washington Post, an organ of the Republican administration and Congress, the leaders in the Senate and the leaders in the House, including the leading members of the Ways and Means Committee of the House and Finance Committee of the Senate, met and unanimously resolved not to reintroduce and pass the so-called farmers emergency tariff bill; in other words, if they were sincere in the last Congress, they had decided in this Congress, so far as they were concerned, the farmers of the country might be ruined and bankrupted and go to the 'bowwows.' This Republican organ further stated that a week thereafter the President called them together and urged that they reintroduce and pass the same bill which President Wilson had vetoed, and they agreed to do it, after, no doubt, they found what a benefit this bill would be to the trusts and speculators and how much it would actually increase the high cost of living by giving the profiteers a better chance and excuse to gouge the people.

"The Republicans in the last national platform, on which Mr. Harding and the present Congress were elected, declared 'We pledge ourselves to an earnest and consistent attack upon the high cost of living.' With this pledge fresh upon their lips and upon the ears of the people of the country an extra session is called, and the very first step made to redeem that pledge is

the introduction and rushing through with the least possible delay the pending bill, which, according to the claims of its authors and the theory of Republican protection, will increase the cost of living, especially with respect to the necessities of life, at least $2,000,000,000, more than three-fourths of a billion going directly into the hands of three big trusts—the Packers Trust, the Sugar Trust, and the Woolen Trust. The Republicans can not wait a day, not an hour, before proceeding with the bill. They proceed with its passage in the House the day after it is reported out of the committee. They are unwilling to consider it long enough to investigate the facts, or give the opponents of the bill hardly an hour's time to study it—so fearful that these trusts may lose a day or an hour in beginning their exactions from the people provided for in this bill.

"An analysis of this bill will show that it is the most transparent fraud and deception ever attempted to be perpetrated upon the farmers and people of the country.

"We notice that the bill has been changed since the last session from the *Fordney farmers' emergency bill* to the *Young emergency tariff bill*. Why the Ways and Means Committee thought that the name of its chairman, Mr. FORDNEY, attached to the bill would discredit it, or believed that by attaching the name of YOUNG from the agricultural State of North Dakota, it would more easily fool our farmers, we can not undertake to say, but certainly there must be some political significance to it.

"The State of Michigan, from which the chairman hails, having many large beet-sugar corporations, probably is the reason that the shrewd political members of the Ways and Means Committee and the Republican leaders in Congress suggested that a Member from an agricultural State should father the bill in order to dissociate from the people's mind the thought that the sugar corporations and trust had a hand in the conception and preparation of this bill.

"Is this really, and was it intended to be, a farmers' emergency relief bill, and will it actually relieve the farmers of the West and the country?

"WHEAT.

"The rate in the bin on wheat is 35 cents a bushel—the highest ever carried in any bill since the beginning of the Government. Are importations of wheat really depressing the price of wheat?

"*Ten days before the Republican leaders in the last session of Congress concocted the political scheme of the so-called Fordney farmers' emergency bill to embarrass the Democrats in Congress and fool the farmers in the country no farmer or farmers' organization and no man in the United States ever suggested that a tariff would give relief and restore prices to the farmers' products, or that the absence of a tariff or that foreign importations caused the financial distress of the farmers in the country, especially of the West and South.*

"As proof that the importations of 1920 did not cause the falling of prices in farm products our importations in 1919 of wool, cattle, hogs, sheep, corn, cottonseed oil, beans, and rice were considerably larger than in 1920, yet the prices for such products in 1919 and the first of 1920 were 100 per cent higher than now. Refusing to come to the direct relief of the farmers, as they did to the railroads, the Republican leaders in Congress then started the propaganda that what the farmers needed was a high protective or prohibitive tariff, and that the Fordney farmers' emergency bill was their salvation—that its passage would fully restore to them the former high level of prices. Does the wheat grower in this country really need protection against foreign wheat? Let us see. In 1919 our domestic production was 787,000,000 bushels. Our total imports from all the nations of the earth amounted only to 15,348,648. We consume in this country about 650,000,000 bushels of wheat a year. It will be seen, therefore, that for every 100 bushels of wheat used or consumed in the United States our domestic producers furnish 95 bushels, and all the foreign nations furnish only 5 bushels. In addition to this, of the crop of 1920 and of the crop left over of the year 1919 we exported for the year 1920 218,000,000 bushels in competition with all the nations of the world, shipping this wheat thousands of miles across the sea and there meeting the world in competition.

"In the face of these facts will blind partisan Republicans contend that American wheat is in any danger of competition at home with foreign wheat? These facts show conclusively that not a bushel of foreign wheat competes with a bushel of wheat raised in the United States, for we ship out in competition with all the world six times more than is shipped in.

"We call attention to the fact that for the months of December, 1920, and January and February, 1921, only 20,000,000 bushels of wheat were imported into this country in spite of the fact that the majority report of the Ways and Means Committee of the last session on the Fordney farmers' emergency bill stated that from December 3 to December 20, 1920, 17 days, 56,000,000 bushels of wheat landed at two Lake Superior ports. Of course this statement in the report was a misrepresentation, perhaps in order to intimidate many Members of the House into voting for the bill and frightening the farmers of the wheat-growing States of the West into a closer loyalty to Republican protection.

"It will be noticed for the three months, including the whole of December, there is a difference between the report of the Ways and Means Committee and the actual fact of 36,000,000 bushels.

"It seems difficult for Republican protectionists to get any nearer the facts than this. In addition to this we exported during those three months, in competition with the nations of the world, over 65,000,000 bushels of wheat. We may venture the opinion that perhaps this palpable misstatement of facts is one of the reasons why the shrewd political members of the Ways and Means Committee selected another Member at this session to make the report on the pending bill, which is in every respect identical in rates with the Fordney bill of last session as it passed the House and Senate and as vetoed by President Wilson.

"Since we have referred to this misstatement in the report of last session we wish to call attention to some other phenomenal statements as to revenue which would be raised and of the importations which it is claimed would be received for a year under the operation of the Fordney bill.

"Take peanuts, for instance: The existing rates on shelled peanuts is three-fourths of a cent per pound, and on unshelled peanuts three-eighths of a cent per pound. The rates under the Fordney and Young bills are increased to 3 cents a pound. For the calendar year 1920 there were imported of shelled peanuts, with a duty of only three-fourths cent per pound, 110,310,000 pounds, but the committee's report of last session, to be used in connection with the report of this session (no doubt in order to give some Democrats an excuse to vote for the bill on the grounds of a revenue tariff), states that under this bill, with a tariff duty raised from three-fourths of a cent per pound to 3 cents a pound, four times as high, there would be imported 146,847,000 pounds; that is, 36,000,000 pounds more would be imported under the Fordney and Young bills, with the high protective tariff of 3 cents per pound, than under existing law, with the three-fourths cent per pound.

"Of unshelled peanuts, with the low existing rate of three-eighths cent a pound, there were imported in 1920, 8,703,000 pounds, but this report would have the peanut growers and Members of Congress from peanut districts to believe that under the Fordney-Young bills, with a rate of 3 cents a pound—that is, for the large peanut 66 cents and for the small Spanish peanut 90 cents a bushel—there would be imported into this country in competition with our peanut growers 11,418,000; that is, there would be imported under the Fordney and Young bills, with the high 3-cent rate, 2,715,000 pounds more of unshelled peanuts than were imported in 1920 under the existing low rate of three-eighths cent a pound.

"Again, as to peanut oil: In 1920, with a 6-cent rate a gallon on peanut oil, there were imported into the United States 12,683,000 gallons, but according to this report of the committee, with the high rate of 26 cents a gallon, four times as high, there will be imported 16,667,000 gallons; that is, 4,984,000 gallons more under the Fordney-Young bills with the 300 per cent increase in the rate than in 1920 with the 6 cents per gallon rate.

"*Again, as to cottonseed oil: In 1920, with cottonseed oil on the free list, we imported 9,437,000 pounds, yet the committee's report states that with the Fordney-Young bills' high rate of 20 cents a gallon, or 2½ cents a pound, 96,000,000 pounds would be imported; that is, there will be imported 86,000,000 pounds more, or ten times as much, of cottonseed oil under the high rate of 20 cents a gallon, or 2½ cents a pound, than when it was on the free list; but as said above, this is about as near the facts as Republican protectionists generally get. This was certainly an appeal with a vengeance to southern Democrats in peanut districts to support the Fordney bill on the ground that it was a tariff bill for revenue only. Such statements as these are enough to mislead any Democrat in peanut districts into supporting the Fordney bill.*

"As to rice: With the existing rate of 1 cent a pound on rice there were imported in 1920, 111,694,000 pounds of rice, but according to the majority report at the last session with 2 cents a pound duty—100 per cent increase in the rate—145,330,000 pounds of rice will be imported: that is, 33,000,000 pounds more will be imported into this country with a 100 per cent higher rate than with a tariff of 1 cent a pound under existing law.

"As to corn: In 1920, with corn on the free list, we imported 7,744,000 bushels, but according to the majority report, with a duty of 15 cents a bushel, 9,175,000 bushels will be imported; that is, 1,750,000 bushels more with the high tariff of 15 cents a bushel will be imported than when corn was on the free list.

"*Now, take scoured wool: Perhaps the most phenomenal misstatement or misrepresentation in the report of the Fordney farmers' emergency bill was the so-called estimate of the actuary of the Treasury Department with respect to the importations and revenue to be derived from wool. In 1920, with wool on the free list, there was imported of washed wool less than 8,000,000 pounds, yet this report has it that under the Fordney bill, with a tariff of 30 cents a pound, there would be imported in 1921, 95,000,000 pounds; that is, there would be imported with the high duty of 30 cents a pound twelve times as much as when wool was on the free list.*

"*In 1920, with scoured wool on the free list, we imported only 14,000,000 pounds, and yet the majority report has it that under the Fordney-Young bill, with a tariff rate of 45 cents a pound, we would import 100,000,000 pounds; that is, with the high duty of 45 cents a pound, fourteen times as much would come in as when it was on the free list—another example of the nearness a Republican Ways and Means Committee is able to get to the facts on a tariff bill.*

"We now see the motive in rushing the bill in the last session of Congress through the committee and the House, without giving the Members an opportunity to investigate and ascertain the facts.

"On many items in the report, such as beans, potatoes, rice, etc., under the Fordney-Young bills, with over 100 per cent increase in the rates, this report shows a large increase of imports over the imports of 1920 with lower rates and on the free list.

"*It is not strange, with such misstatement of facts, that the report was able to state that we would receive over $130,000,000 revenue from the Fordney bill, and that the bill was not one for protection only, but a bill for revenue. The fact is that instead of getting, according to the committee's report, $130,000,000 under the Fordney emergency bill, according to the Treasury Department's estimates of March 1, 1921, the items in the Fordney bill as it passed the House would not produce revenue in excess of $30,000,000.*

"With these misleading statements no wonder some Members were under the impression that it was a revenue tariff.

"CORN.

"In the calendar year 1920 the importations of corn from all the foreign countries of the world amounted to 7,744,000 bushels. Our domestic production in 1920 was 3,322,367,000 bushels. For December, 1920, and January and February, 1921, our importations of corn were 127,000 bushels. Our importations for February, 1921, were 3,256 bushels. *The above figures show that out of every 100 bushels used and consumed in the United States our home producers furnish 99 bushels and 3 pecks, and all the nations of the world furnish a little less than 1 peck. It further shows that in 1920 we exported two and one-half times more than we imported, and that for the months of September, October, and November, 1920, we exported more than two and one-half times more than we imported, and for the months of December, 1920, and January and February, 1921, we exported one hundred and thirty times as much as we imported.*

"For the month of February, 1921, we exported two thousand five hundred times more than we imported. Yet, in the face of these facts, the Republicans have the audacity to look the corn grower in the face and tell him that the 'flood of importations' of foreign corn is depressing the home market and has driven the price of corn down from $1.85 a bushel in July, 1920, to 50 and 60 cents at the present time.

"They are attempting to fool the corn farmer by this bill into believing that this 1 bushel furnished by the foreigner out of every 400 bushels furnished by our domestic producers has forced the price down of the entire 3,000,000,000 bushels, and they expect the intelligent corn farmer of the West to be fully satisfied with this deception and to believe that the 15 cents tariff a bushel on corn provided for in the pending bill will send the price of corn back up to $1 and $1.85 a bushel. Basing the importations of corn in 1921 upon the three months of December, 1920, January and February, 1921, our total importations for this year will be 510,000 bushels. If our production this year equals the production for the year 1920, this 'flood of imports of corn by foreign competitors' which Republican leaders are 'hollering' about in order to deceive the farmer will stand thus: *Out of every 100 bushels of corn consumed in the United States the home producer will furnish 99 bushels and 63 pints, while all the foreign nations of the world, with their 'flood of imports,' will furnish only 1 pint,* and yet the Republican leaders in Congress would have the corn-growing farmers of the West believe that they are in distress because of this 'tremendous flood of imports' and unless the pending bill is passed with the 15 cents tariff on corn he will be ruined and bankrupted and the home corn grower will have to go out of business. If there is a man in the United States who believes such a humbug claim as Republican leaders in Congress are making, he ought to be in the insane asylum or in the Republican Party.

"CATTLE.

"In 1920 we imported 379,000 head of cattle. We exported in 1920, 85,000, showing net imports of 284,000 head. We have in this country about 70,000,000 head of cattle. We slaughter a year about 25,000,000 or 30,000,000 head. For the months of September, October, and November, 1920, we imported 151,000 and exported 19,506. For December, 1920, January and February, 1921, we imported 71,784 and exported 21,065. This shows a rapid falling off of importations—over 50 per cent over the three preceding months. During the month of February, 1920, we imported 24,569 and exported 2,689, while during the month of February, 1921, we imported 8,066 and exported 7,488 head of cattle, showing that imports are still decreasing and exports increasing. For every head of net imported cattle we produce in this country 250 head. Out of every 100 head of cattle in the United States our net imports of cattle amount to less than one-half of a head, and for every 100 head of cattle slaughtered and consumed in this country all the nations in the world furnish 1, while the home producers furnish 99.

"Basing net importations for 1921 upon the net imports for the three months of December, 1920, January and February, 1921, for every 100 head of cattle consumed in the United States the home producer furnishes 99½ head of cattle, and all the foreign nations of the world will furnish only five-sixths of a head of cattle. Yet, in the face of these facts, the Republican leaders in Congress have the audacity to tell the live-stock farmers of the country that foreign importations are the cause of their distress, and that a tariff, such as provided for in the pending bill, is their only relief to restore prices to their former level. In view of these facts it is impossible for an intelligent person to believe, if the pending bill is passed, that it will relieve the live-stock farmer of the country.

"SHEEP.

"In 1920 our imports of sheep amounted to 172,000 head. In 1919 they amounted to 224,000 head, showing a falling off of imports of 52,000 for the year, and for the months of September, October, and November, 1920, the imports amounted to 113,000 head of sheep.

"In December, 1920, January and February, 1921, they amounted to 25,000, showing a falling off in comparison with the three preceding months of 88,000—or about 75 per cent.

"In February, 1921, we imported only 261 head of sheep, and exported 8,486, showing that the imports of sheep are rapidly decreasing. We exported in 1920, 48,000, which leaves our net imports around 124,000. We exported in September, October, and November, 1920, 7,771, and in December, 1920, January and February, 1921, 19,482, showing that while the so-called Republican 'flood of foreign imports' are decreasing, our exports are increasing.

"According to the Statistical Abstract, we have in round numbers 50,000,000 head of sheep in this country. We slaughter, in round numbers, each year in the United States about 20,000,000. *These figures show that for every 100 head of sheep consumed in this country the home producer furnishes 99⅝, while the balance of the world furnishes five-eighths of a sheep, or out of every 160 consumed in this country our sheep growers furnish 159 and the foreigners 1 sheep.*

"Yet, in the face of these facts, the Republicans in Congress are trying to fool the sheep growers of this country that this 'flood of foreign imports' is about to put the sheep growers out of business and the domestic sheep out of the market.

"Let us suggest that, since according to the claim of the Republicans a tariff on wool is going to build up and foster the wool industry of this country, it might be wise for the United States to import for eating purposes the so-called cheap foreign mutton and lamb and keep our own domestic sheep for the growing of wool, and therefore would it not be better to permit mutton, lamb, and sheep to come in free?

"A tariff on mutton and lamb inures only to the benefit of the packers, since the sheep grower in this country does not sell mutton and lamb (sheep and lambs in the dressed state).

"The tariff in this bill on mutton and lamb can not be intended to help the sheep grower, and its only possible effect can be to help the packers and permit them to exact higher prices.

"BEEF PRODUCTS.

"In the calendar year of 1920 the imports of beef and veal amounted to 50,182,000 pounds. In the same year, in competition with the world, we exported 139,480,000 pounds. In the months of September, October, and November, 1920, our imports amounted to 16,496,000 pounds. In the months of December, 1920, January and February, 1921, our imports were 7,559,000 pounds, showing a decrease from the three preceding months of over 50 per cent.

"In December, 1920, January and February, 1921, our exports amounted to 17,843,000 pounds, which was an increase in exports over the three preceding months of over 6,000,000 pounds, or over 50 per cent. Our production of beef, veal, etc., in 1920 was 9,000,000,000 pounds. These figures show that out of every 100 pounds of beef products consumed in the United States the home producer, principally the packers, furnish *99 ¾ pounds while all the nations of the world furnish only five-ninths of a pound*, while at the same time the Beef Trust exports from two and one-half to three times as much beef products in competition with all the world as our total importations.

"*In the face of these facts the Republican leaders in Congress would have the people believe that the Beef Trust needs a protection of 2 cents to 6 cents a pound to protect them against this five-ninths of a pound 'flood of foreign importations,' that this five-ninths of a pound is glutting our markets and forcing ruin and disaster upon the Beef Trust, and that in order to survive it must be given the privilege, as provided for in this bill, of exacting from our consumers of beef over $275,000,000 more.*

"HOG PRODUCTS.

"Of hog products our imports in the calendar year of 1920 amounted to 2,295,000 pounds. Our exports amounted to 900,737,000 pounds, about four hundred times as much exported as imported. In the months of September, October, and November, 1920, our imports amounted to 879,000 pounds while our exports for the same period amounted to 367,127,000 pounds, over two hundred times as much exported as imported. In the months of December, 1920, January and February, 1921, our importations amounted to only 284,000 pounds, a decrease from the three preceding months of 594,000 pounds, or approximately 70 per cent, while our exports in December, 1920, January and February, 1921, were 234,340,000 pounds—that is, eight hundred and twenty-two times as much as imports—an increase over the three preceding months of 38,000,000 pounds, or approximately 20 per cent.

"*Our domestic production of hog products in 1919, the last year for which statistics are compiled, was 18,000,000,000 pounds, and more perhaps for 1920. In other words, for every pound imported we produced 5,733 pounds, and for every pound imported we exported 400 pounds. Out of every 100 pounds of hog products used and consumed in the United States our home producers, principally the packers, furnished a little over 99 pounds 15¾ ounces and all the nations of the world furnished a little less than one-fourth of an ounce. That an enormous Republican 'flood of foreign meat.'*

"*In spite of these facts the Republican leaders in Congress have the audacity to look into the face of the American people and say, by this bill, that we are being flooded by foreign importation and our meat market is being glutted by foreigners by the importation of this little one-fourth of an ounce, and that the Meat Trust in order to be saved from ruin and disaster must be allowed, as provided in this bill, a tariff of from 2 to 6 cents a pound and must have the privilege, as provided in this bill, of exacting from the consuming millions of Americans of over $275,000,000 additional.*

"Who ever heard of the packers or Meat Trust being confronted with an emergency and must have relief or be ruined until the Senate amended the Fordney emergency tariff bill last session? Who knew that the packers were in such stringent financial distress, that to relieve them an extra session of Congress had to be called; that in the first three or four days of that extra session this bill had to be rushed through the committee and the House practically without consideration or discussion, and passed at the very first possible moment for the relief of the Meat and Beef Trust so that it should not lose a day or an hour to begin their exaction of over $550,000,000 additional from the American people? Why should the packers confide the secret of their distress and that it was about to be driven out of business by the 'flood of foreign importations' only to the Republican leaders in Congress and to no one else throughout the country?

"*An analysis of the bill will disclose the fact that although in 1919 there were 22,000 hogs imported into this country there is no tariff levied upon the importation of hogs for the benefit of the farmers. By this bill the packers are given a protection of from 2 cents (on fresh meats) to 25 per cent ad valorem (on other hog products). That is from 2 cents to over 6 cents a pound.*

"It seems from this that the Republican leaders have both eyes open and singled to the interests of the Packing Trust and both eyes shut to the interests of the farmers.

"*In view of the protection given by this bill on beef and meat products, by which the cost of living will be increased to the consumers by over $550,000,000 in beef and meat alone, a Republican has a right to conclude that the administration and Republican Congress are carrying out with promptness and with a vengeance the declaration in their platform of 1920 upon which they were elected. 'We pledge ourselves to earnest and consistent attack upon the high cost of living.'*

"They were also pledged in their platform 'to curb the profiteer,' but probably this is about as near to performance of their platform promises as a Republican Congress can get, and we refrain from undue criticism.

"SUGAR.

"Our consumption of sugar in the United States in 1920 was in round numbers 10,000,000,000 pounds. As every intelligent man knows, the Sugar Trust absolutely controls the sugar situation and that over one-half of the sugar we consume is imported and that the tariff duty is added to the price of all sugar consumed in the United States, both domestic production and imported. This bill increases the price to the consumer 100 per cent and over; that is, it gives to the Sugar Trust the right to exact 1 cent a pound additional from the people (by the time it reaches the consumers at least a cent and a half is added). This bill gives to the Sugar Trust at least $125,000,000. It gives the Sugar Trust the right and privilege to exact from the American consumers an additional $125,000,000. No one, it seems, except the Republican leaders in Congress, knew that the Sugar Trust was confronted with an emergency and was in such financial distress that the Republican leaders should hasten to its rescue with this bill.

"WHY DID NOT REPUBLICANS STOP FLOOD OF IMPORTATIONS IN 1919?

"In 1919 the importations of wool amounted to 440,290,279 pounds.

"In 1920 the importations of wool amounted to 259,617,000 pounds; that is, *in 1919 we imported 180,000,000 pound more than in 1920.* In the months of September, October, and November, 1919, we imported *over 75,000,000 pounds more than in the same months of 1920.*

"While the big importations of 1919 were coming in and, as claimed by the tariff advocates, constituting a portion of the more than 600,000,000 of pounds now on hand held in competition with the wool crop of 1920 and 1921, stored by the Woolen Trust and the speculators in wool, although Congress was in session practically all of the year after May, 1919, yet not a Republican voice was heard about a tariff on wool to protect the woolgrower. On the contrary, the Republican leaders in Congress whittled away practically the entire time of the six months' session trying to protect by tariff the little Magnesite Trust in Washington, the little Tungsten Trust in Colorado, the little Pearl Button Trust in Iowa, the little Chemical Glass Trust in New Jersey, and other little trusts here and there. Republican leaders then had the interest of these little trusts and the interest of the Woolen Trust and woolen speculators at heart.

"The woolgrowers then, when this tremendous 'flood of importations' was pouring in on us, did not have a look in with Republican leaders in Congress. Why did they not get busy then and try to fool or protect the woolgrower with a tariff? The same may be said of cattle. In 1919 the importations of cattle were 263,000 head more than in 1920; that is, we imported 70 per cent in 1919 more than in the year 1920. For the months of September, October, and November, 1919, we imported 123,000 head more than during the same months of 1920.

"We may ask the same question as to cattle: Why did not the Republicans, when this 'flood of importations' was inundating our cattle market, although a Republican Congress was in session, try then to help or fool the live-stock farmer with a tariff? Why should they now try to fool him, when the importations are considerably less and rapidly decreasing?

"We may make the same observations and ask the same question with respect to sheep.

"We imported in 1919, 224,000 head of sheep, while in 1920 we imported 172,000, 52,000 less. In September, October, and November, 1919, we imported 142,000, while for the same months in 1920 we imported only 123,000. For the three months of December, 1920, January and February, 1921, we imported only 25,000.

"Why did not the Republicans in 1919, while Congress was in session, when we were receiving larger importations, think to help or fool the sheep grower, and why now, when for the last three months the importations have fallen down to 23,000 and our exportations for the same months have increased to 19,000, are they so anxious to try to help or fool the sheep grower?

"We might ask the same question with respect to corn, beans, rice, and cottonseed oil, all of which show large decreases in importations for 1920 with the year of 1919. Let us call attention to the fact that this bill puts a duty of 15 cents a pound on wool in the grease and 45 cents on scoured wool. The report of the Taft Tariff Commission shows that if wool in grease has a duty of 15 cents per pound, scoured wool should have a rate of 25 cents, yet this bill gives the Woolen Trust the benefit of a gratuity of 20 cents per pound over and above a compensatory duty. According to the Commission's report, it takes only 1¾ pounds in the grease to make 1 pound of scoured wool. We observe, too, that while the bill puts a tariff of 15 cents per pound on clothing wool that goes into the clothes the millions of the people must have, it keeps on the free list the carpet wool that goes into the fine carpets and rugs of the rich.

"A BILL IN THE INTEREST OF THE TRUSTS AND SPECULATORS.

"We submit that, in view of the foregoing, this bill is not in the interest of the farmers of the country, but is really in the interest of and for the purpose of swelling the already swollen fortunes of the trusts and speculators. It gives to the Packers' Trust, the Sugar Trust, and the Woolen Trust the right and privilege to take from the American people the enormous sum of over $775,000,000, increasing to that extent the present high cost of living. This huge bounty, forced from the pockets of the American people into the coffers of the trusts, is the first legislative act of the Republican administration and the Republican Congress. This should prepare the people for what kind of relief and reconstruction policy they may expect in the future. *It is most difficult for one not a Republican to understand why the Republicans feel so much under obligation to the Sugar Trust, the Packers' Trust, and the Woolen Trust that they must rush this bill through in the first three or four days of the Congress as the first act of the administration and the Congress.*

"Perhaps a thorough investigation of contributions in the last campaign and a lively anticipation of future contributions may reveal the cause of such an obligation. As a farmers' emergency or relief measure this bill is a transparent fraud and humbug. There is hardly a Republican in the House that does not know that a tariff on most of the agricultural products in the bill is purely bogus and a sham—that a tariff on such does not and can not affect their price while in the hands of the farmers, who are too numerous and too much scattered throughout the country to combine into a trust.

"In 1910 the Republican Party, through a special Senate committee of Republicans and through their campaign textbook, was forced to admit the fraud and deception they had been practicing upon the farmer since the Civil War by putting a tariff on agricultural products in order to make him believe he had a finger in the tariff pie and thereby induce him to vote for protection for the big manufacturers and trusts of the East. Both the report of this special committee and this campaign textbook expressly declared that '*the tariff on the farmers' products, such as wheat, corn, rye, barley, cattle, and other live stock, did not and could not in any way affect the prices of these products.*'

"On this special committee were Senators LODGE, chairman; Gallinger; Crawford, of South Dakota; MCCUMBER, of North Dakota; and SMOOT, of Utah. Their report on the effect of the tariff on agricultural products was unanimous.

"As further authority that the Republican Party had been practicing a deception on the farmers in all their tariff bills we wish to quote the declarations of many distinguished Republicans:

"On June 22, 1909 (CONGRESSIONAL RECORD, p. 3636), Mr. MCCUMBER, of North Dakota, said:

"The wheat acreage to-day is producing a surplus of wheat which must be thrown into the world's market, thereby keeping down the price of the home product, tariff or no tariff.

"On the 22d of June, 1909, in answer to the question whether he believed that the duty on wheat affected the price of wheat, Mr. CUMMINS, of Iowa, said:

"I do not.

"Further, he says:

"I want Senators to remember that I come from a State which probably puts more in value into the channels of trade every year than any State in the Union in agricultural products. We will this year supply the people of the United States and the people of the world with a product that will surpass the value of $700,000,000, and it is idle for even an enthusiast to assert that the price of these products is directly affected by the protective tariff.

"On the 10th of May, 1909, in the Senate, Mr. NELSON, of Minnesota, said:

"I do not recall the millions of bushels produced in the State of Minnesota, but I desire to tell the Senator that the tariff on wheat which is on the statute books has not done us a particle of good. It would be like a tariff on cotton, because up to this time we have been exporting from 150,000,000 to 250,000,000 bushels of wheat a year. The price of our wheat is fixed by the Liverpool price—the export price—and no duty up to this time has helped us.

"On the 2d of August, 1909, Mr. Bristow, of Kansas, had the following to say:

"Schedule G—relating to agricultural products—has been increased about 2 per cent. There should have been reductions in this schedule. They could have been made without the slightest injury to American agriculture. High duties are placed on semitropical fruits, such as lemons and raisins, and on pineapples and rice, and on flour biscuits made by the Cracker Trust, for the benefit of a few individuals in limited sections of the country; and *a high duty is placed on corn and wheat to make the great mass of farmers believe that they are being favored. But it is an insult to the intelligence of the American farmer to place a protective duty on corn when we are producing more corn than all the other nations combined. We sell our wheat and corn and the products thereof in the markets of the world, and no duty which might be imposed can affect the price which the farmer receives for them. We raise far more wheat, corn, cattle, and hogs than we consume, and the result is that the farmer can not be protected by a tariff, because the price of his produce is fixed by the world market.*

"On the 24th day of May, 1909, during the tariff debate, Mr. Clapp, from Minnesota, said:

"There is another thing to be considered. Along this Canadian border, with nothing but an imaginary line across, it is idle, in my judgment, and idle in my experience and observation, to talk about any great difference in wages on one side or the other.

"When a man by a day's walk can go from a mill on that side to a mill on this side, from a field on that side to a field on this side, that imaginary international boundary line will not maintain any very different scale of wages long upon one side or the other. And they are the same class of men. When we talk about a protective tariff and think of the overcrowded countries of Europe and of the cheap wage scale of Europe—when we realize that the wage earner in Europe must and oftentimes has to borrow and incur a great expense to come to this country—there may be wisdom in attempting to maintain an artificial wall between his country and ours; but when we look to sparsely settled Canada, when we look to a class of men enjoying a wage scale practically the equal of our own wage scale, it seems to me that sooner or later the American people have got to recognize the impossibility of forever maintaining an artificial wall where there is no natural reason for the establishment or maintenance of that wall. Sooner or later, Mr. President, we shall have to recognize on a broader plane this natural relation to Canada. I predict here in the Senate to-day that the time will come when, even with the protective policy as firmly implanted as it is to-day in our general policy, yet in our tariff relation to Canada we will recognize that it must be limited largely upon the basis of revenue as required by that country and this.

"This bill will become a law and the farmers of the country in whose behalf it is claimed to be written and enacted will find that the Republican leaders and politicians in Congress are playing the same old game of deception which they have practiced on the farmer of the West for nearly 50 years after the Civil War.

"The Republicans are trying to make the farmers believe that after the passage of this bill they will have nothing to do but sit on the fence and watch wheat increase in price 35 cents a bushel, corn 15 cents a bushel, potatoes 25 cents a bushel, peanuts 66 to 90 cents per bushel, cattle 3 to 6 cents per pound, hogs 2 to 5 cents per pound, wool 15 cents per pound, etc.

"We advise the farmers of the country to wait and watch. They will find that this bill is as transparent a fraud and deception as was ever attempted to be practiced upon the people. They will see such increases in their products while in their hands are as far off as ever, but they are sure to see sugar, of the Sugar Trust, which he has to buy, increase in price from 1 to 3 cents a pound; woolen goods, of the Wool Trust, 15 per cent ad valorem; meat, of the Packers Trust, from 2 to 5 cents a pound.

"If the farmer will keep his eyes open during the six months following the passage of this bill, he will be a wiser and perhaps a more undeceived but not a richer man.

"In conclusion, the public will find that the sum total of this bill is a deliberate invitation and excuse for the Sugar Trust, the Packers' Trust, and the Woolen Trust, and the speculators in the farmers' products, to increase their profiteering and gouging of the people.

"We discover in the last words of this bill—section 14—the most subtle and dangerous joker which was ever attempted to be perpetrated upon the House. The Secretary of the Treasury is authorized to fix the value of foreign money, in the following words:

"*Provided further*, That in the estimation and liquidation of duties upon any imported merchandise the collector of customs, or persons acting as such, shall not in any case estimate the depreciation in currency at more than 66⅔ per cent.

"To-day the German mark is quoted in the foreign exchange of the daily press as being worth 1.62 cents. If this provision of the bill, submitted by the majority, becomes a law, the Secretary of the Treasury would be compelled to calculate the German mark as worth 8 cents, thereby increasing the duties imposed upon the imports from Germany 480 per cent, the duties upon imports from Italy 200 per cent, the duties upon imports from Austria 2,300 per cent, the duties upon imports from Czechoslovakia 44 per cent, the duties upon imports from Finland 27 per cent, the duties upon imports from Hungary 1,700 per cent, the duties upon imports from Jugoslovakia 95 per cent, the duties upon imports from Poland 6,200 per cent, the duties upon imports from Rumania 420 per cent, the duties upon imports from Serbia 270 per cent, and from Russia 4,300 per cent.

"If the House really appreciated the 'stinger' that is involved in this language and when the country ever discovers it, the consequences will not be very pleasing to the present majority, and they will have much explaining to do.

"All of the foregoing was substantially admitted by the experts who attended the hearings of the Ways and Means Committee on last Thursday morning.

"Judge Fisher, of the Customs Court of Appeals, in answer to the question as to the increases in the duties of imports from certain countries, stated that the increase in imports from Italy would be 200 per cent, from Germany 500 per cent, and from Russia 4,000 per cent.

"The fact is that this means, and it was probably intended, that we should have no trade with Germany, Italy, Russia, Serbia, Rumania, and the other countries mentioned above, particularly the States of the Central Empire, and yet this administration and Congress desire a separate peace with Germany."

Mr. COLLIER. Mr. Chairman, I yield five minutes to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Mr. Chairman and gentlemen of the House, I voted for this farmers' emergency tariff bill during the last session believing it would give some relief to our people during the emergency. The same emergency that existed then exists now; therefore, I shall again vote for the bill, hoping that it will become a law soon. [Applause.]

I have always considered a tariff an economic and not a partisan question. I have always believed in reasonable protection to keep up our industries and our American standard of living. I have always advocated a nonsectional, nonpartisan, scientific tariff commission, committed to the principle of reasonable protection, to study new conditions as they arise, and report to Congress from time to time so that we could have a tariff law resting on a permanent foundation and avoid these radical changes that always take place in the tariff laws when changes in party control take place, which always disjoint our business.

When we go to the customshouse to collect a duty it makes no difference whether we call it a tariff for revenue with incidental protection or a tariff for protection, it is to advantage in favor of the American against his foreign competitor, and I for one want the producers of agricultural products to get the same protection in proportion to the protection that the manufacturers get. It was James Monroe who declared that—

Our manufacturers require the systematic and fostering care of the Government. Equally important is it to provide for our raw materials.

In other words, I do not want the people I represent, who sell rice, cottonseed products, long-staple cotton, sugar, corn, peanuts, cattle, hides, and wool, to sell their products on a free market and buy their agricultural implements, clothes, hats, and shoes on a protected market. I know from personal experience on my own farm that our people are sacrificing their agricultural products by selling them for less than half of what it cost to produce them, in order to pay their taxes. And my first duty in an emergency like this is to stand by them when my heart and conscience dictate that I should do so.

The last war has demonstrated to all the necessity of our country having its own vital industries at home instead of not depending on foreign countries in a time of emergency. For instance, our cotton growers of the South lost millions of dollars in the beginning because we had no American merchant marine to carry our cotton to the markets of the world. The only way to have our industries going at home in time of emergency is to protect and develop them in time of peace. While we are always willing to do what we can to assist foreign countries, our first duty is to America. [Applause.]

Mr. COLLIER. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PARRISH].

Mr. PARRISH. Mr. Chairman and gentlemen of the committee, during the last session of Congress I voted for the emergency tariff bill, and I shall vote for it again to-morrow, for the bill as now drawn is substantially the same as voted on in December. [Applause.] When I voted for it I specifically stated that I was not binding myself on any tariff policies, rates, or schedules, but that I was casting my vote for the bill because of a condition of emergency, due to the recent war, now facing the producers of this Nation, and I still think that such emergency exists.

When Congress convened in December, 1920, a most unusual condition confronted the farmers and producers of the country, and Congress promptly set about by speedy legislation to relieve these conditions. A twofold plan was devised, the one not necessarily connected with or related to the other, but to my mind the conditions demanded the immediate adoption of both plans. The first of these proposed relief measures was the reestablishment of the War Finance Corporation, for the purpose of stimulating and encouraging foreign trade, so that the surplus products now in this country could be marketed in foreign countries and the producers thus enabled to get a fair price for their commodities. By a very large majority of the votes of both Houses this plan was promptly written into the law.

The second plan, that of the emergency tariff, sought for a period of 10 months at least—now 6 months—to stop the coming in of imports from other countries, and thereby prevent the accumulated raw materials of other countries from being poured into this country in great and unprecedented quantities. This measure also passed both Houses of Congress by large majorities, but failed to become a law on account of the President's veto.

I have given very careful study to the emergency tariff bill, and it is my candid judgment that this bill ought to have become a law at once. I do not contend that the bill or its schedules could be justified under normal conditions or as a permanent policy; neither would I vote for a bill containing the rates and schedules proposed in this bill under any conditions except that of great emergency; but if I can read the figures clearly an unusual condition of emergency now confronts the farmers and producers of this Nation. Prior to the outbreak of the war a large per cent at least of the raw materials produced in Canada, Argentina, New Zealand, Egypt, Australia, Brazil, China, Manchuria, Japan, and other countries were sold in the markets of Europe; but when the war came on conditions became greatly unsettled, shipping facilities were diverted from their normal course to that of winning the war, and as a result raw materials accumulated in great quantities in the countries mentioned, and other countries as well, and when the armistice was signed ships were gradually made available for transportation of these commodities from such countries to the best possible cash market, until 1920 found ample shipping facilities available for the transportation of sufficient quantity of raw materials to break the markets of our own country.

As is well known to all, the markets of Europe were bankrupt, the exchange rates were such as to make the sale of farm products in appreciable quantities in the European markets impracticable, and our country was the only country in the world that offered a cash market with an undepreciated currency. What results would naturally follow from a condition like this? The student of government does not have far to go in order to see the answer. There were poured into this country war materials in abnormal quantities, and the markets for our own farmers and producers were broken, and thousands of our people were forced into bankruptcy, and many banking institutions failed, and when Congress convened in December these raw materials were still coming into the country in quantities never witnessed before.

To illustrate briefly, in the calendar year 1919 there came into this country 9,519,368 pounds of butter and substitutes, and in 1920, 37,454,172 pounds were delivered into our markets, and the farmers and producers could no longer find a market for their cream and butter products. During a 10-month period ending in October, 1919, 23,138,696 pounds of peanuts were imported, and yet during a like period of time in 1920, 110,788,209 pounds were shipped into this country, or, in other words, five times as much came in during 10 months in 1920 as came in during a similar period in 1919. During the first half of October there were imported, free of duty, approximately 5,000,000 bushels of wheat, or at the rate of 10,000,000 bushels per month, and during the year 1920, 35,848,648 bushels of wheat came into this country from foreign countries, and in January and February, 1921, 8,908,518 bushels of wheat were thrown in upon the already broken market. In 1920, 299,994,378 pounds of unmanufactured cotton were imported to this country, and in the months of January and February, 1921, 26,039,861 pounds were thrown into our market, notwithstanding the fact that

the farmers of the South held millions of pounds of cotton, which they could not sell on the market for one-third of its actual cost of production.

In 1920 there were imported 141,229,976 pounds of rice, cleaned and uncleaned, and in January and February of this year 12,726,890 pounds were imported from other countries and sold in our markets. In 1920 there were shipped into this country of class 1 and class 2 wool, 219,035,023 pounds, and in January and February, 1921, 55,448,981 pounds of wool of similar grades came in. This is an unprecedented quantity, and added to the oversupply of more than 600,000,000 pounds already in the country, it has destroyed the markets, and has practically bankrupted the producer of wool in the United States. In this connection it must be noted that in February of this year, 37,597,319 pounds were imported as against 17,851,683 pounds in January of the same year. In other words, practically twice as much came in in February as in January of this year.

In the month of October, 1919, 1,044,719 pounds of mutton were imported, whereas in the same month in 1920, 27,024,972 pounds were imported, or an increase in 1920 over 1919 for the month of October of almost 27 to 1, and during the entire year of 1920, 101,168,319 pounds of mutton were shipped into the markets of this country, and in January and February, 1921, 18,844,345 pounds of mutton and lamb were brought in. In 1920, 50,182,105 pounds of beef were imported, and in January and February, 1921, 5,440,934 pounds were brought into the country, and again in 1920 the countries of Argentina, Brazil, Australia, and New Zealand alone sold into this country 242,241,876 pounds of cattle hides. Figures of a strikingly similar character can be shown with respect to the importation of other farm and ranch products, but I shall not take time to mention them more in detail at the present, and from a detailed study of these figures I am deeply impressed that this bill should be passed as a protection against an extraordinary condition of emergency which has followed as a direct result of the great World War, and the fact that we are still technically at war. With the Canadians on the north, with Argentina, Brazil, Uruguay, and other countries on the south, with Japan, Australia, New Zealand, and Chinese Provinces on the west, all anxious to benefit from a cash market, and with revival of shipping facilities, these countries have been continuously unloading into this country raw materials of several years' accumulation, such as wheat, cattle, corn, wool, meats, live stock, rice, vegetable oils, and numerous other farm products, thereby greatly increasing our own surplus, and absorbing our own money, and making it necessary for us to extend credit to European countries to enable those people to handle and purchase not only our own surplus but also the surplus of the other countries, taking advantage of our markets, while our own farmers are driven into bankruptcy, and many of them from necessity and other reasons have abandoned and many more are threatening to abandon our farms and ranches.

When you shake the faith of the farmer in the future of his country, you have touched the very foundation of our Government. He is always the last to criticize or complain, and since the creation of the Government has received at the hands of his Government less in the way of special consideration or legislation than any other of our people. The time has at least partially passed when this bill would have accomplished the most good, yet I am deeply impressed with the feeling that the passage of [illegible] will at least still do something toward relieving the conditions now prevailing, and will have a tendency to inspire more confidence in our farmers and producers.

So far as I know, this is the first legislation ever passed by any Congress that sought to give recognition in this respect to the rights of the producer, and it ought to be welcomed as the omen of a day that promises more from the Government to those who toil and struggle on the farm, and who produce the world's supply of the things that the nations of the earth must eat and wear.

In voting for this bill, however, I want it understood that I do not waive my convictions on a permanent tariff policy. All of my life I have believed in the Democratic principles of a tariff for revenue only, and still believe in those principles, but so long as there is to be a tariff of any kind, levied on the finished products, then I for one shall ask and insist that the producers of raw material be given the benefit of their proportionate share of such a tariff. The farmers and producers of this Nation represent one-third of its population, and they buy one-third of the finished or manufactured products as they come from the stores and shops, and it is manifestly unfair, unjust, and undemocratic to require them to sell their products in an open market, and compel them to buy the things they must use in a market that has the benefit of a tariff. All of the instincts of common justice compel me to say that so long as the policy of the Government under the rule of the Republican majority is a tariff in the interest of American industry, I shall demand that same privilege for American agriculture in the same just proportion. If we are going to have a tariff for revenue only, I can see no reason why the Government should not collect money from the importation of farm and ranch products in the way of raw materials along with the collection from manufactured articles, and I believe this is a sound principle of Government which will appeal to the sense of justice of the American people, and meet with their favorable approval. No tendency is so dangerous in Government as that which favors one class or section against another, and I believe that no policy would be so dissatisfying to the American farmer and producer as for him to know that he must buy his supplies in a market that is surrounded by a tariff wall, and that he must sell his own products in a market in which there is no such consideration given to the products of his toil.

It is of vital interest to the American consumer and the American people as a whole that the American farmers and producers survive, because if they should go down, and we thereby be forced to look to other markets for our food supplies, the net result in the long run would mean that we will have all suffered in the way of high prices far in excess of what would have been our fate had our own farmers and producers prospered.

Let us do common justice to all, and no matter what the disturbances of the moment may be, our country will survive the tests of time, and will realize the expectation of those who laid so well its foundation. [Applause.]

Mr. YOUNG. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, it appears to me that there are very excellent reasons why a man, a Republican particularly, who in the last Congress opposed this bill or a portion of this bill can to-day very consistently vote for it. I notice that that remark produces an appearance of hilarity among my Democratic colleagues, but if I may be indulged by them for a moment, I feel that so far as I am concerned I can justify my position. In the first place, and for the principal reason, I want to quote to you a few sentences that our leader gave utterance to on this platform on Tuesday last. I believe in leadership, and we as Republicans are to-day enrolled under his banner of leadership. Here is a part of President Harding's message to us on this subject:

> The urgency for an instant tariff enactment, emergency in character and understood by our people that it is for the emergency only, can not be too much emphasized. I believe in the protection of American industry, and it is our purpose to prosper America first. The privileges of the American market to the foreign producer are offered too cheaply to-day, and the effect on much of our own productivity is the destruction of our self-reliance, which is the foundation of the independence and the good fortunes of our people. Moreover, imports should pay their fair share of our cost of government.
>
> One who values American prosperity and maintaining American standards of wage and living can have no sympathy with the proposal that easy entry and the flood of imports will cheapen our costs of living. It is more likely to destroy our capacity to buy. To-day American agriculture is menaced, and its products are down to prewar normals, yet we are endangering our fundamental industry through the high cost of transportation from farm to market and through the influx of foreign farm producers, because we offer, essentially unprotected, the best market in the world. It would be better to err in protecting our basic food industry than paralyze our farm activities in the world struggle for restored exchanges.

That is a message which it seems to me we should follow implicitly and to the very letter of expression. This bill as it is before us to-day is a part of a fixed program, a constructive Republican program, which the Republican Party is presenting to Congress and to the country. This is but the first step in that program, and as time goes on we hope to fulfill the pledges the party has made to the American people for protection to our industries. The farming industry first appealed to us for this protection and asked that such legislation be enacted some months past. It was carried through both branches but vetoed by the President. That then stood by itself. To-day it is simply one of the steps in the program which we are asking Congress to take. There have been added to the bill as passed by the last Congress two features which seem to me to bring a great deal of merit to the measure to-day. They are the so-called antidumping clause, and to a certain extent a lifting of the depreciated exchange. If I may be pardoned for saying so, I think these two additions will be as valuable to American industry as the whole bill originally was in the minds of the agricultural interests. It seems to me now that we have something well worthy of our support and it is the support that this bill is about to receive.

The antidumping clause has been passed, I believe twice, in previous Congresses, and the bill as before you to-day, Title II, is practically the bill that was passed during the Democratic

administration, without a roll call. Whether we are protectionists or free traders, it is but fair that we should protect American interests to the extent of not allowing foreign competitors to dump into this market their overproduct at less than their own cost of production. That is what the antidumping clause in Title II is intended to do and what it will do. I do not think anyone, be he protectionist or free trader, especially a believer in fair play, will say that such a feature as that should be allowable in the competitive markets of the world. We do not want the refuse of foreign countries, their overstock, dumped in here in competition with our home products. Therefore, the antidumping clause is a constructive piece of legislation of great value to the American people.

I shall touch only briefly on the section known as section 214, amending former section 25, because one of my colleagues on the Ways and Means Committee will offer a much better explanation of that than I can. The idea of that is, to a certain extent, to take care of what we all know to be such a menace to-day, namely, depreciated currency. It will not take care of the depreciated German currency. Nothing can in this way of legislation, but instead of the mark being worth about 1.65 cents as it is to-day, this will raise the value of the mark, I believe, to about 8 cents, so that to a certain extent it does overcome the depreciated currency. This same sort of legislation is a law in other countries. It is nothing new; it is only that we are putting our people on a parity with other countries in the matter of assessing duty rates.

Mr. CAREW. Mr. Chairman, will the gentleman tell us the names of the other countries where they have this law?

Mr. TREADWAY. Great Britain and France have it, I think, and also Italy, but I did not intend to touch on that point. I think Mr. TILSON, of Connecticut, expects to refer to those measures. Is that correct?

Mr. TILSON. Yes.

Mr. TREADWAY. So that we are simply doing what our competitors in trade are doing in the way of levying duties assessed against products coming from foreign lands.

Therefore we have, to my mind, these very excellent reasons for the passage of this bill. It is a part of a fixed program and the sooner the whole program is adopted the better for the American people. Therefore I am to-day heartily in favor of the so-called Young emergency tariff legislation.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. COLLIER. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. HUMPHREYS].

Mr. HUMPHREYS. Mr. Chairman, just before I left my office I received a newspaper containing the following headlines:

Belief of the Cotton Situation in the South Expected Shortly—War Finance Corporation in Conference with Banking Interests, New Orleans, to Organize Company to Finance Cotton—Cotton Exporters of South Urged to Attend Conference at Atlanta, Ga.—

And so forth.

This convention is called as a result very largely of the legislation which we passed December last reviving the War Finance Corporation. The situation was this: For 12 months the cotton planters had had their cotton on the table offering it for sale, keeping the wires busy to every factory center in the Nation, yet no purchasers could be found. Europe needed cotton and we needed to sell it. We revived the War Finance Corporation hoping that that would facilitate the exportation of our cotton and other things, though I am speaking particularly of cotton. We had this anomalous situation: During those months when we could find no purchaser, no market for our cotton, 700,000 bales of cotton were imported into this country, paying no duty whatever, and paid for in real money by our own people. It came in at the rate of a million pounds a day during 1920. Therefore we accompanied this War Finance Corporation legislation with another bill, which undertook to say to these importers, "We are attempting to finance the export of our surplus crops. Do not increase our burden by importing cotton from abroad until we can make some disposition of our already embarrassing surplus." This was the so-called Fordney bill.

I voted for this emergency tariff bill believing that if it were passed it might avert a disaster which was then impending and which has since befallen the cotton producers of my district. The pending bill has a remarkable statement in it, or rather, the report which accompanies the bill has. Men who favor a tariff favor it for one of two reasons. The Republicans favor it for protection and the Democrats favor it for revenue. This bill as it now stands neither furnishes protection for the great mass of the cotton producers nor will it produce any considerable revenue at the customhouse. It limits the tariff to cotton of an inch and three-eighths staple. Practically none of that is produced in this country and practically none is imported. Out of the 700,000 bales imported last year about one-fourth only was 1⅜ inches. Here is what the reports says, the report written by the gentlemen who wrote this bill:

The Young emergency tariff bill proposes a duty of 7 cents per pound on cotton the staple of which is 1⅜ inches and longer.

Now, listen—

We are of the opinion that the minimum length of staple on which the tariff is to be levied should be 1⅛ inches, and that the duty should be increased from 7 cents to not less than 10 cents per pound.

Well, then, in the name of all the gods at once, why did not you write it that way in the bill? [Laughter and applause on the Democratic side.]

Now, listen——

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HUMPHREYS. In just a second I will yield. You say, for instance, further on in this report—

The enactment of a tariff which will give protection to cotton of 1⅛ inches staple and longer would serve to encourage the production of superior varieties of cotton in the United States and would tend to improve the character of the American cotton crop.

Then, why *did not you do it?*

Mr. GREEN of Iowa. The gentleman is reading now not from the report of my colleague [Mr. YOUNG] but from some statement made by the Bureau of Markets.

Mr. HUMPHREYS. Well, that is embodied in this report for some purpose, and I assume you indorse it. You put it in the majority report. [Applause on the Democratic side.] Does not the gentleman indorse that?

Mr. GREEN of Iowa. I think the gentleman clearly understands I do not fully, speaking for myself personally.

Mr. HUMPHREYS. I am sorry to hear that, for I understood the gentleman did favor it, and I understood that the committee favored it. I thought I had been clearly assured of that fact in December, and that for reasons which the gentleman understands my amendment striking out 1⅜ and inserting 1⅛ could not go on that afternoon, the bill having been engrossed ahead of time, and for that reason only it was not agreed to. It went to the Senate, and the Senate made it 1⅛ at the suggestion of the chairman of this committee. You might just as well say cotton 3 inches long or a foot long, there is so little produced in the country and it will produce so little revenue.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HUMPHREYS. Just a second, and then the gentleman can answer this. As I understand it, this bill is for the purpose of protection; you want to protect the farmer; you put a tariff on wheat and a tariff on corn and a tariff on potatoes and a tariff on rice, and a tariff on sugar and a tariff on wool, a tariff on mutton, a tariff on cattle, and I do not know what else, but everything you can think of which the farmer produces except cotton, and yet there is as much cotton imported into this country in value, practically as much as there is wool imported, very much more than of most of the articles you have in this bill, and that cotton is to continue to be imported into this country free.

I submit that from a Republican standpoint that is indefensible and from the Democratic standpoint it is indefensible, because we want the revenue; we will admit that we need it. Here was a million pounds of cotton coming into this country daily and no revenue whatever, while all manufactures and nearly everything else that comes in is to be halted or is now halted at the customhouse and required to pay a duty. I submit that that can not be justified from the standpoint of the protectionists or from the standpoint of those who believe in a tariff for revenue. The only man who can justify it is a free trader or that school of protectionists who live in New England and want all raw materials admitted free and a high tariff put on all things that they manufacture.

Mr. GREEN of Iowa. The gentleman surely does not mean to say there is no long-staple cotton produced in this country. The gentleman is speaking——

Mr. HUMPHREYS. There is practically none 1⅜ inches long.

Mr. GREEN of Iowa. The gentleman will find it on page 22 of the report.

Mr. HUMPHREYS. I have the figures of what I believe to be the best authority in the United States—Secretary Hester of the New Orleans Cotton Exchange—which shows that 50,000 bales out of 10,000,000 plus were produced in 1919——

Mr. GREEN of Iowa. That is not imported——

Mr. HUMPHREYS. No; less than 200,000, about 150,000 out of 700,000 coming here last year was an inch and three-eighths. The rest was less than that.

Mr. GREEN of Iowa. I beg the gentleman's pardon, but the gentleman is not correct.

Mr. HUMPHREYS. I think I am correct, and if the gentleman from Oklahoma [Mr. MCCLINTIC] will permit me I will

put in the RECORD my authority for the statement. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The time of the gentleman has expired. Is there objection to the request of the gentleman?

Mr. McCLINTIC. Mr. Chairman, I object.

Mr. HUMPHREYS. I am sorry; but I will read it into the RECORD to-morrow.

Mr. YOUNG. Mr. Chairman, I now yield to one of the new Members of the House, the gentleman from California [Mr. LINEBERGER], five minutes. [Applause.]

Mr. LINEBERGER. Mr. Chairman and gentlemen of the committee, our friends from the Democratic side of the House, I believe the gentleman from Texas [Mr. GARRETT] and the gentleman from New York [Mr. COCKRAN], have spoken very pleadingly here to-day asking the new Members of the House to come over to "where the water was fine(?)." As one of the new Members, one who has not even yet sat in a Republican caucus, I come from the greatest caucus of all caucuses, the caucus of the great American people. The mandate of the people of California was spoken by several hundred thousand majority in favor of the support of the Republican Party platform. In our district we have some of these commodities which are produced in the southern portions of Europe, some of those articles to which the gentlemen have referred as being necessary for us to import in order to secure the liquidation of the debts of those nations who owe us money. Lemons, olives, and the like are produced in Italy, and, as you perhaps know, Italian exchange has depreciated 550 per cent since the war. It is true that the cost of labor in Italy has increased approximately 100 per cent, but converting the money which those nations receive for their products on the American market back into Italian currency, they still receive 2.75 per cent more, on the basis of home-production costs, than they received before the war, and it would be better, for the time being at least, to allow these debts to go unliquidated than to ruin one single American industry like that of the great lemon industry in southern California. [Applause on the Republican side.]

These new world conditions to which the gentleman from New York [Mr. COCKRAN] has referred are conditions which we all recognize, and none more than I. However, the great cities, in whose growth he is so greatly interested, could not continue to exist were it not for the development of the agricultural communities—and this is an agricultural bill which we are discussing—from which they derive their every nourishment and source of life. America must create a reserve and remove this doubt and insecurity, and she must look to her own house before she can give to the world the assistance for which humanity is crying. And I can say to the gentlemen on the Democratic side that I can offer them no assurance from the new Members from California for any support of their opposition to this measure. [Applause on the Republican side.]

The CHAIRMAN. The gentleman yields back one minute.

Mr. YOUNG. Will the gentleman from Mississippi [Mr. COLLIER] use some of his time now?

Mr. COLLIER. I yield seven minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. I believe the gentleman from South Dakota said that he also would yield to me five minutes.

Mr. YOUNG. I also yield five minutes to the gentleman.

Mr. BLANTON. Mr. Chairman, the last distinguished speaker stated that it had not yet been his privilege to sit in a Republican caucus. That but exemplifies the extremity to which our Republican brethren were put recently in finding material to bring to Congress, because in running out of the usual stamp of candidates they were forced to accept a distinguished ex-Texan and send him from California to Congress.

Mr. LINEBERGER. I would like to correct the gentleman. I am a native of Tennessee.

Mr. BLANTON. But the gentleman will not deny that he has been favored by a sojourn of at least a number of years in the great State of Texas.

Mr. LINEBERGER. I had that privilege.

Mr. BLANTON. And he probably received part of his education there.

Mr. Chairman, I am one Democrat, and a loyal Democrat, who is going to vote for this bill, and I am going to do it with my eyes open. I am not fooled at all by my Republican brethren as to this bill. I know what it contains and I am going to vote for its contents, and I am not violating a single rule of the great Democratic Party in doing it, because I am obeying rules of my party in exercising this right. I believe in party organization. For 48 years I have been a loyal Democrat, and I still am one, and I am still obeying the mandates of my party organization and living up to its rules, even though I am voting against an instruction which incidentally permits men to carry out the pledges to their constituents. There is a common ground, however, upon which all honest, loyal Republicans and Democrats can meet on this bill. My Republican brethren stand for protection; we Democrats stand for a tariff for revenue only, but incidentally connected with that plank in our platform there is another, which stands for equal rights to all and special privileges to none. Let us apply this to our farmers and producers. I am not a free trader, because to be a free trader places every loyal, intelligent American on a par with every peon in every foreign country. I do not believe in free raw material, because to believe in it places the intelligent farmers of my land on an equality with the peons of every country. There never has yet been a Democratic platform that has stood for free trade. There never has yet been a Democratic platform that has stood for free raw material.

The common ground upon which we can meet is, first, that we know, Democrats and Republicans alike, that we must go to the customhouse for a part of the revenue of this country. And if that is a fact, why not collect part of those duties upon the products of the farm as well as the products of the factory? Why can not farm products raise revenue?

I am always in favor of the under dog, the one who has not such a great advantage and opportunity to speak for himself. I was struck this morning with the statement of Brother FORDNEY when he said that every Member here had already voted on this bill and passed on it; and when I called his attention to the fact that there were 121 new Members here who had never voted on the bill he tried to pass it off with facetiousness. He had forgotten you new boys. That is what was the matter. He had not taken you into consideration. I do not know what kind of instruction you 121 new Members received from our distinguished Clerk of the House when he called that meeting the other night to tell you how to get about the Capitol. He said he was going to have Brother FORDNEY and other distinguished chairmen present to help him tell you. There is lots of advice that I get from him. Whenever I am in doubt I go to him, because he is able and has the information. I wonder if he told you distinguished new Members one thing which, by another, as a new Member, I was told—that "you had better sit back and quietly occupy a back seat for a year or so." That old idea caused Brother FORDNEY to forget you. You have to do that only if you are willing to do it.

Mr. ARENTZ. Will the gentleman yield just there?

Mr. BLANTON. I will gladly yield in a minute if I have time.

If you new Members want to take part in these proceedings, you do like I do. You stay here and take part, and you will find Brother FORDNEY remembering 121 of you when he speaks on measures hereafter. He will not forget you.

Now, let us see. Every product of the farmer, almost, is on the free list, practically—that is, every one down in my country except peanuts and a few other little matters. And everything the farmer wears and everything he uses on his farm is on the protected list. And it is going to be there because you fellows are going to put it there. He buys on a protected market and sells his products on a free one. He plays against a per cent and disadvantage that will ultimately ruin him. I have an opportunity by this bill to put on the tariff list, in order to get duty through the customhouse, the things that my farmers raise. Why should their competitive products not pay a part of the custom duties and help the exchequer out? I have a chance by this bill to do that. The farmers say to vote for it, inasmuch as they want it. Am I going to put myself up here and say that I know more about what is going to benefit them than they do themselves? Am I going to say to the 40,000,000 people who live on the farms that they do not know a thing about what they need?

I am not going to arrogate to myself the knowledge to speak for what they ought to have in this country when they are demanding a certain thing. Am I going to say, "I know what you need. Your representatives say to vote for this bill, but I am going to vote against it"? No; I am not going to say that. I pledged to my people when I came here that if they would send me to Congress every time you Republicans voted to put a 50 per cent ad valorem tax on the cotton that comes back to them in manufactured products, which they have to buy and wear, I would vote to put a tariff on the products that they raised on the farms by working from before daylight until after dark, and it would raise revenue.

I am going to do it. There are stockmen in my country who last year were millionaires, but who to-day are paupers. I called your attention last December, when we passed this bill

before, to the fact that already there had been brought into this country 40,000,000 pounds of foreign frozen mutton by the big packers and stored here in this country—mutton raised in foreign countries where cheap labor is employed, raised much cheaper than our stockmen can raise it; and I called your attention to the fact that at that very time ships had 20,000,000 pounds more in their holds on the way to this country, with still more to come, and I begged you to put a provision into that Fordney bill placing a tariff on frozen meat. But the distinguished leader of your steering committee, the genial gentleman from Ohio [Mr. LONGWORTH], when I offered those amendments, struck them out on points of order and your steering committee said, "We can not put that in to this bill because to do it would defeat its passage." Yet after you heard from the boys living out on the plains of the country, in the great southwest portion of the United States, when they came to you like a solid phalanx and said it was ruining them, that it was ruining their business, your steering committee changed its judgment on the proposition, and now we find frozen meats in this bill. Why could you not have put it in last December?

I will say this, that I am for a tariff for revenue only. It is a Democratic principle, and I am standing on that principle. But I am in favor of putting only such tariff on any article, farm article or otherwise, as not to form a substantiation, but only to be a difference in equalization of cost as between the cost of production in this country and in foreign countries. There is not an item in this bill that covers more than that difference in cost of production. I want to put you on notice now, as to every bill that you bring in here with a tariff provision in it that seeks to place a duty higher than the difference in the cost of production between this and foreign countries, that I am going to fight against it, and you have got to keep within that rule to get my vote. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. YOUNG. Mr. Chairman, will the gentleman from Texas [Mr. GARNER] use some of his time now?

Mr. CRISP. Mr. Chairman, I yield to the gentleman from Texas [Mr. BLACK] 10 minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 10 minutes.

Mr. BLACK. Mr. Chairman, I did not vote for this emergency tariff bill at either of the times that it was before the House during the prior session. I think that I am as strongly in favor of a tariff for revenue as any other Democrat in the House, and if all the rates in this bill and if all the bill were based upon that principle, of course I would not hesitate to support it. But they are not. Confessedly, some of the schedules are intended to act as an embargo and not to raise revenue. This is notably true of the woolen schedule. Even if I had supported this bill during the prior session of Congress upon the theory that it was a tariff for revenue only and not built around the idea of protection and in the nature of an embargo, I would not support it now, because of that section in the bill which provides that in the collection of import duties no foreign currency shall be held to have depreciated greater than 66⅔ per cent. That changes existing law to a very material and substantial extent.

Now, of course, any Member can see that such a change in existing law will have the effect of raising import duties from some countries as high as 300 per cent and even as high as 400 per cent. Let us take the present figures of exchange. The German mark in normal times is worth 23.82 cents in American money. By the last quotations which I have seen—and I think they now obtain—the German mark is worth less than 2 cents. Of course, that means that in the imposition of duties on goods from Germany the value of the German mark will be arbitrarily raised to a very much higher value than it actually has, and automatically the rates will be greatly increased. The Italian lira in normal times is worth 19.31 cents in American money. The last quotations were less than 5 cents; and of course the Italian duty will be increased the full percentage provided in the bill. The Belgian franc in normal times is worth 19.31 cents in our money, and in the last quotation less than 8 cents in American money; and therefore the Belgian currency will be depreciated in a like manner.

Mr. YOUNG. I think the gentleman is mistaken about that.

Mr. BLACK. I have here the quotations contained in the bulletins issued by the National City Bank of New York.

Mr. YOUNG. Eight cents is more than one-third of 19. It will not apply to Belgium.

Mr. BLACK. It is substantially the quotation I gave. The Belgian franc is normally worth 19.30, and now it is worth 7 cents.

Mr. TILSON. The gentleman is mistaken. It can not be liquidated at less than one-third of its normal valuation. The Belgian franc is worth now more than 33⅓ per cent of normal. The provision will not apply to the Belgian and French franc, and of course it would not affect British money.

Mr. BLACK. I stand corrected as to Belgium, and of course as to Great Britain and France it would not apply, because their currencies have not depreciated to so large an extent. The Austrian krone has depreciated until it is even less than the German mark or the Italian lira; and as to all these countries I have pointed out, the Democrat who supports this bill upon the assumption that he is supporting a revenue tariff will find himself in the attitude of voting for a provision that automatically raises the rates of existing law from 200 to 300 per cent in the cases I have mentioned. That looks like a good long way for a Democrat to go on the theory that he is supporting a revenue measure.

Now, then, a prominent member of the Committee on Ways and Means some time ago expressed dissatisfaction with the unreasonable and outrageous rates to which certain manufacturing interests in this country were seeking to commit the Ways and Means Committee. Here is the language that the prominent Republican member of the Committee on Ways and Means used in speaking of the effort that was being made. He said:

> What has hurt a lot of these industries is the definite decision of the consuming public to submit no longer to war prices. It is time somebody put on the brakes.

He continued:

> Here and now I serve notice that I shall oppose any such duties as these witnesses are asking. They are pleading with crocodile tears in their eyes for import duties ranging from 100 per cent to 400 per cent above the Payne-Aldrich tariff rates. I am going to fight with all the power I have against such penalization of the consumer. The war is over, and the consuming public is asking why those prices are not also gone. If we grant the rates that most of these interests are seeking we will be simply licensing a continuation of profiteering, filling the pockets of the manufacturer who gets the protection with the involuntary contribution of the consumer.

Now, who made that statement? It was the gentleman from North Dakota [Mr. YOUNG], who is leading the fight in behalf of this bill; and here we find him, instead of raising these rates by express enactment of law 200 and 300 per cent—we find him, by bringing in this clause relating to arbitrarily fixing the depreciation of foreign currencies, doing identically the same thing by indirection which he denounced so vehemently in his interview published in the Washington Post some time ago.

Mr. YOUNG. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. YOUNG. If the gentleman will study this situation, I think he will find that by this bill we are simply trying to equalize the duties to correspond to the depreciation of the foreign currency.

Mr. BLACK. Will not the gentleman admit that the effect of the provision is to cause an importer of goods from Germany or Austria, or Italy, to pay anywhere from 200 to 300 per cent more than he would pay under existing law?

Mr. YOUNG. I will tell the gentleman that it will do about what Mr. UNDERWOOD expected when he secured the passage of the Underwood law, because that was not passed in contemplation of a depreciated currency in some of the countries which ship to us.

Mr. BLACK. Will not the gentleman admit that the effect of this provision is to do what I will say it will do, to wit, to raise the rates from 200 to 300 per cent over existing law, when the gentleman from North Dakota [Mr. YOUNG] was the one who stated some time ago that he would fight with all the power at his command to keep that from being done?

Mr. YOUNG. Will the gentleman yield?

Mr. BLACK. Yes; I yield.

Mr. YOUNG. I simply want to say that I can not agree with the gentleman in his method of figuring these rates of duty as applied to certain countries only and as applied to costs of production in those countries which are not now properly figured.

Mr. BLACK. Well, the gentleman does not deny it will have the effect to raise the rates over those now paid under existing law. How are we going to rehabilitate the exchange situation? Everyone knows that the most gigantic obstacle now in the path of American trade is the foreign exchange situation. How is it going to be rehabilitated? In two ways only. One is by floating loans in the United States, and the other is by exchange of commodities; and we all know that the latter course must of necessity be followed to a greater or less extent; and you gentlemen are endeavoring to stop up the channels of commerce instead of opening them up. You open up the damper by your

War Finance Corporation bill and now you come along and push in the damper by this tariff bill. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. I yield 10 minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. The chairman of the Committee on Ways and Means [Mr. FORDNEY] asked me this morning if I would explain very briefly the 66⅔ per cent depreciation paragraph in this bill, and I shall attempt to do so.

The trouble which this provision seeks to remedy arises from the fact that there are at least two different values when there is depreciated money. One is the bankers' value or what we call the exchange, which is the price for which the depreciated currency will sell in gold in foreign markets. The other is the value of the currency in the home country, which means its purchasing power of service and useful things, its power to buy labor, to buy food, shelter, and articles to wear and use. The exchange value is easily determined. The exchange or bankers' value of the mark, for instance, is to-day about 1.6 cents. What is the home value of the mark in Germany? Even the home value is very greatly reduced below the normal. It is not approximately 24 cents, which is the normal rate, but from the best information that we are able to procure from German as well as from outside sources, the home purchasing value of the mark when measured in the things that the workingman has to use or consume is about 7 or 8 cents. When he comes to pay his house rent he does not pay fifteen times as many marks as he did when the mark was at par, which would be about the amount if measured at exchange rates of a mark depreciated from 24 cents to 1.6. True, his house rent is considerably higher in marks than it formerly was, but when measured in what he gets in the way of a rent the mark is actually worth about 7 or 8 cents. Likewise with his food and other necessities purchased locally. And so the articles that are produced there and exported to this country to compete with American-made articles are produced by workers who give 7 or 8 cents of value in labor for a mark worth less than 2 cents in foreign exchange. The worker can do this because what he must buy he buys at the home value of the mark; but see what an advantage it gives the German manufacturer in competition with the American manufacturer.

Mr. SABATH. Will the gentleman yield?

Mr. TILSON. Not just now. I have only a few minutes. What we are attempting to do here is to liquidate the duties when imports come into this country, not by the bankers' value of the mark or the lire but by the home value of the money, as nearly as we can determine it, for this is the value which really measures the difference in the cost of production between the foreign-made article and ours.

I wish to cite a few instances. The Foreign Banking Association, which is not an American but, rather, an international organization, made an investigation of this subject last December. Taking 11 of the skilled trades in Germany, it ascertained that the average weekly wage, as measured in the exchange value of the mark, was $3.47 per week, while in this country for similar work it is at least $30 per week. We know that those men were not working for $3.47 a week, as measured in the necessities of life which the marks buy. Now, if we figure the real value of the mark to them as between 7 and 8 cents, instead of 1.6 cents, we shall find that instead of these German workmen receiving $3.47 per week they receive about $17 per week, as measured in the buying power of their wages. In other words, if the actual difference in wages was what the disparity in exchange would now indicate, a duty of 200 or 300 per cent in many cases would be necessary to save American industries from being destroyed. By the adoption of this provision we say to the foreign manufacturer, "You must pay duty on something like the actual cost of your goods." As I have just shown, even measuring the difference in cost of production by the home value of the mark, instead of the exchange value, still there is an average advantage in labor cost in favor of the German manufacturer against the American manufacturer of $17 as compared to $30.

Mr. YOUNG. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman.

Mr. YOUNG. Will the gentleman illustrate what he has said, for instance, by reference to Belgium?

Mr. TILSON. This provision does not apply to Belgium at all. The Belgian franc is far above one-third its normal value, so that this will not apply to Belgium. The present value of the French franc is just above one-third of its normal value, so that this does not touch France. The only countries with which we have any substantial trade that this will affect at all are Germany and Italy, and Italy certainly can not complain, because that country has a law of substantially the same effect and the same figures, I believe—66⅔ per cent—against Germany, Austria, and her other neighbors. She had to do it in order to protect herself in her customs. Great Britain, as I am informed, has such a law, to the effect that in case of depreciation in the German mark, bringing it below 5 cents—stating it in our money, because I forget the exact British equivalent—all below this figure is to be taken as customs duties. If so, with the depreciation of the mark of about 3 cents below that figure in Great Britain now, that country takes about 3 cents as customs duties.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman.

Mr. GARRETT of Tennessee. The gentleman from Michigan [Mr. FORDNEY] this morning made some reference to an Executive order. I did not understand what he meant by that. Does the gentleman know?

Mr. TILSON. Unfortunately, I was not in the Chamber at the time the gentleman from Michigan [Mr. FORDNEY] spoke and do not know to what he referred.

The instances which I have cited are cases where countries have been compelled to limit the amount of depreciation in order to protect themselves in their customs duties. We have already in section 25 a limitation that unless the depreciation in exchange is at least 10 per cent no notice is taken of it, so that there can be under existing law a depreciation of 10 per cent and the law requires that no notice whatsoever shall be taken of it.

In this proviso we simply place a limitation to the effect that if the depreciation of foreign money is greater than 66⅔ per cent we will disregard the further depreciation in liquidating duties.

Mr. WINGO. Will the gentleman yield?

Mr. SABATH. Will the gentleman yield now?

Mr. TILSON. The gentleman from Arkansas rose first.

Mr. WINGO. Do I understand the gentleman correctly to say that the differential in exchange between two countries represents the differential in the cost of production in the two countries?

Mr. TILSON. Not at all. If I said anything it was quite the opposite. The difference in cost of production is measured rather by comparing our own cost with the actual cost of our competitor, which in case of depreciated money is more accurately measured by the purchasing power of the money than by the exchange value.

Mr. WINGO. The gentleman used just the reverse of that.

Mr. TILSON. I did not mean to do so. My contention is that the real cost of production is measured rather by the home value of the money than by the exchange or bankers' value.

Mr. WINGO. Here is the point: In the judgment of the gentleman, does the difference in the cost of production affect the rate of exchange between countries?

Mr. TILSON. I made no contention to that effect.

Mr. WINGO. The gentleman has given a great deal of study to this matter. What in his judgment will be the effect of this exchange provision on the volume of imports from those countries?

Mr. TILSON. Not very great, and yet we shall get considerable revenue from it. It will stop to a considerable extent the stream of certain goods from Germany which are now flooding this country to the utter ruin of those particular lines of industry. It will, to a certain extent, affect a considerable volume of imports, because it will enable us to collect a much larger portion of the duty which was intended to be collected under the tariff act of 1913 and which we are not getting to-day.

Mr. WINGO. Can the gentleman tell us what the goods consist of? Are there any agricultural products being brought in from Germany?

Mr. TILSON. No; they consist largely of manufactured goods of long-established industries, especially the metal industries, such as cutlery, clocks, jewelry, and things of that sort which are to-day produced by low-priced labor in Germany.

Mr. WINGO. Will this apply to the importation of potash?

Mr. TILSON. Yes; if it is measured in depreciated currency.

Now, gentlemen, I have tried to fairly state the conditions. I do not believe that any country is going to pay 200 or 300 per cent increase of duty over what it was intended by existing law it should pay. We shall in many instances collect perhaps twice the amount of duty, possibly three times in some cases, that we have been collecting under the present exchange situation. The exchange situation is what has put many of our industries almost down and out, thus taking away the buying power from the industrial part of this country, which buying power would be used to purchase food and other goods

from the rest of the country. Do not forget that when the buying power is taken away from the men who produce things other than what they eat you thereby affect adversely the producer of agricultural products. You can not get away from it. I believe that this provision will give us a measure of present relief and that it will help more in certain great industries than any other provision contained in this bill. I believe that it will afford a measure of relief to the agricultural producer because it will give hope and opportunity to earn to his best customer, who is now in imminent danger of losing his job entirely by reason of what now amounts to unfair competition of foreign-made goods. In a number of industries this provision will help materially. It will afford temporary relief and relief that is absolutely needed. All that the provision does is to say that no currency shall be considered to be depreciated more than two-thirds. In other words, that all currency must be considered worth at least one-third of its normal value. There is no country with which we have an important trade whose currency to-day is worth less than one-third of its normal value in its purchasing power at home. This provision merely places for customs purposes a value on this currency of at least one-third of normal and applies to invoiced values from certain countries a figure that more nearly represents the purchasing power of that currency at home than does the foreign exchange value. [Applause.]

Mr. YOUNG. Mr. Chairman, what is the condition of the time consumed on each side up to the present?

The CHAIRMAN. The gentleman from North Dakota has used 113 minutes and the gentleman from Mississippi has used 114 minutes.

Mr. COLLIER. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, I can not characterize this emergency protective tariff measure better than to quote the remarks of one of the high priests of the Republican Party, the Senator from New Hampshire [Mr. MOSES], who said of it in the last session:

> I resent the imputation, Mr. President, that this is a Republican measure. It is neither a Republican measure nor a Democratic measure; it is class legislation of the most vicious kind, as I regard it. If it is to have any party appellation at all, Mr. President, it is to be described as soviet legislation.

No Member of this House can seriously debate the fairness or the justness of such legislation. It is class legislation pure and simple. It discriminates between the producers of the land. It proposes to take from the pockets of the great consuming classes and put into the pockets of a select class and of those trusts, monopolies, and magnates who have managed to corral the greater portion of those things nominated to be protected. It is hypocritical legislation destined to fool the American farmer and planter, and to procure his vote. I predict that he will not be cajoled into any such action, and when he awakens to the true import of this measure when he discovers that as he cried for bread you gave him a stone, it will be his time for action against those who attempt to fool him. Whatever benefits come out of this measure will not fall to the lot of the farmers, but the great trusts of the country, such as the Packers' Trust, Sugar Refining Trust, Woolen Trust, and kindred organizations.

I would be derelict in my duty if I should not oppose this iniquitous measure, which is a fraud upon the farmers in that it will not help them, but leave them to such prices as are dictated by supply and demand. It will increase the living cost of the consumers upon their food and clothing more than did the Payne-Aldrich tariff. Let me demonstrate the burden to the people of Maryland, which I have the honor to partly represent, as shown by these figures:

Estimated cost to the people of Maryland.

Fresh meats	$13,000,000
Wheat	8,000,000
Rice	330,000
Corn	9,750,000
Potatoes	1,950,000
Beans	1,300,000
Peanuts	1,300,000
Butter and cheese	2,600,000
Preserved milk	1,300,000
Sugar	9,100,000
Total	48,630,000

Take, for instance, meat. It provides a duty of 2 cents per pound upon fresh or frozen beef, veal, mutton, lamb, and pork. Meats of all kinds, prepared or preserved, not specially provided for therein, 25 per cent ad valorem.

The Federal Trade Commission says that the five big packers control 73 per cent of the fresh meats; that they control 62,535,507 pounds, or 95 per cent, of all the fresh and frozen beef. Those who will benefit by this tariff on meats will be those who put it upon the domestic market. The annual consumption of meat thus taxed is 25,000,000,000 pounds. Increase the price to the consumer by this 2 cents per pound duty and you have increased the cost of living by this alone to the American consumers by $500,000,000, 73 per cent of which goes into the pockets of the Meat Trust to be shared, if they please, with the growers of the live stock. How much of this great subsidy do you imagine the growers will receive? Shall we tax the stomachs of the American meat consumers upon such a hazardous and fraudulent proposition as this? Shall we say to the great unemployed of our people, "Bear this additional burden, it may help bring about prosperity."

Take wool. A tariff of 15 cents per pound is provided for raw wool; washed, 30 cents; and scoured, 45 cents. The manufacturer is given 45 cents per pound on any garment in which wool is the chief component part. Why should he have 45 cents per pound on the entire garment? No matter if 90 per cent of the garment is made of rags and other material he has gathered together and only 10 per cent is of wool used as a building material to hold it together until he can dispose of it. The hair goes with the hide, and he collects his 45 cents per pound upon the combination from the unsophisticated and trusting customer. The manufacturer is the man who gets the swag. He it is who is competing with foreign markets. The woolgrower will not benefit. We are told that there is more wool in the country than we can use for years. The inexorable law of supply and demand will control its price, not the duty provided by this measure. The American public will pay this vast subsidy to the manufacturer, but the grower for whom they have vast sympathy will not share in the rich spoils.

Consider wheat, that great staff of life of the American people. The reason for placing a duty of 33 cents per bushel on wheat is for the alleged purpose of helping the American farmer by increasing the price of his wheat to that extent. The average consumption of wheat during the last eight years was 591,392,000 bushels. If you increase the price of this to the consumer by a duty of 35 cents per bushel, he will have to pay an additional for his food supply from wheat the enormous sum of over $200,000,000. We imported last year only 10,989,000 bushels of wheat. If we assume that the same amount will enter the country with a tariff of 35 cents per bushel as entered free of tariff, which is not likely, then the Government will receive an income of $3,800,000; in other words, we tax the American consumer for his wheat supply over $200,000,000, from which the Government receives only $3,800,000 as revenue. When you realize that every time you place a tax upon an article the dealers in this particular article add not only their profits to the price of the commodity but likewise a profit to the money they must invest to pay the duty thereon, the result will be that instead of the consuming public paying a tax of over $200,000,000 it is likely to run $100,000,000 beyond, for all of which the Government receives no part, but the whole is saddled upon the consuming public. Nor is anything to be gained from this duty. It is not likely that wheat will be largely enhanced in price in the hands of the producer, but more likely in the hands of the holder. When you realize that the average production during the past eight years was 794,485,000 bushels, and we consumed only 591,392,000 bushels, it will be seen that we exported 214,000,000 bushels of wheat while we imported only 10,989,000 bushels. Is it not a ridiculous proposition to tell the farmers that you can give them prosperity by such legislation, when the fact is you are producing and exporting over 200,000,000 bushels more than you consume, and are using this great overproduction in your trade with foreign nations?—the very trade which will be injured by a protective tariff.

The obvious intention of this emergency tariff is to prevent the western farmers from taking their losses by shifting the burden upon the people throughout the land who have already been compelled to take their losses either in individual pursuits or perhaps in decrease of wages.

Upon rice it is proposed to place a duty of 1 cent upon the 1,000,000,000 pounds consumed in the United States, or a tax to the purchaser of $10,000,000, which when passed on to the consumer will aggregate not less than $15,000,000, and yet it is a well-known fact that rice can in these days be produced cheaper in the United States by reason of improved methods of planting and harvesting by machinery than anywhere else in the world. It is planted much like wheat and harvested with as little expense. Labor performs a very small part, machinery doing the work which originally was performed by hand labor, while in the Orient rice is planted and produced in the most laborious and original methods, costing vast labor and expense in its planting, cultivation, and harvesting, and yet it is the object of this bill to pass to the consuming public an additional ex-

pense upon their cost of living of $15,000,000, under the pretense of protection of this full-grown American industry.

I shall not take up more articles in detail, but I should like to refer casually to the consumption of butter and substitutes, which, plus the duty contemplated, will increase the cost to the public of more than $80,000,000. Our consumption of condensed and evaporated milk, some 1,300,000,000 pounds, with duty of 2 cents per pound, will again increase the cost $26,000,000, and in addition to the cost upon dairy products it is proposed to increase cost on fresh milk, cream, and sugar of milk.

I might continue with a long array of such increases, which, when traced to their final analysis, will be found not to benefit the producer, but the middleman, the manufacturer, the trust, and the rich magnates of the country. I will content myself by inserting here a table taken from the CONGRESSIONAL RECORD, which shows more in detail the cost to the ultimate consumer, the revenue derived by the Government, and the cost per capita to our people under the proposed bill.

Article.	Annual cost to the ultimate consumer.	Annual revenue to the Government.	Per capita cost (per capita of consumers).
Fresh meats	$1,000,000,000	$2,000,000	$10.00
Wheat	500,000,000	4,000,000	5.00
Rice	15,000,000	2,000,000	.15
Corn	750,000,000	755,000	7.50
Potatoes	150,000,000	500,000	1.50
Beans	50,000,000	4,786,000	.50
Peanuts	50,000,000	1,500,000	.50
Peanut oil	15,000,000	5,725,000	.....
Cottonseed, coconut, and soya-bean oil	150,000,000	16,000,000	.....
Butter and cheese	150,000,000	1,500,000	1.50
Preserved milk	50,000,000	433,000	.50
Sugar	500,000,000	137,000,000	5.00
Total of above	3,390,000,000	276,199,000	[1]31.65
Reduced to 6 months basis	1,690,000,000	138,099,500	15.82½

[1] Food products only.

Mr. Chairman, this is a remarkable piece of legislation. It is even more remarkable when you realize that during the recent campaign both political parties tried to impress upon the public that it was their intention immediately upon election to reduce the cost of living to the American public, to reduce taxation wherever it was possible to do so, and to inaugurate economies which would decrease the expenditures of the various departments, and yet upon the assembling of Congress after that election the Republican Party introduced and passed a bill like this, which, but for the timely veto of President Wilson, would have immediately saddled upon the backs of the American people an additional cost of living by the imposition of duties upon almost every article that the human system requires to the extent of $1,690,000,000. Mr. Wilson is no longer President to save us, and the Republicans now propose to pass again that bill and impose upon the people this immense increase.

It is even more strange that advocates of the bill have had the effrontery to say they are doing it to raise the prices of the commodities upon which the duties are placed. I for one have steadfastly opposed such legislation, and will continue to adhere to the time-honored doctrine of the Democratic Party—of equal rights to all and special privileges to none; of tariff for revenue only and not a protective tariff in the interest of certain classes which blights and destroys our foreign trade and drives the American flag from the sea.

It was my special delight to vote for a merchant marine. Contrary to the votes of many of my colleagues, I voted to reestablish the War Finance Board in order to finance corporations doing business in foreign lands with the intent and purpose that we might build a great foreign trade with the peoples of other nations. I note chiseled upon the front of the Union Station in this city the following: "He that would bring home the wealth of the Indies must carry the wealth of the Indies with him"; in other words, if we would bring home the wealth of other lands, we must be prepared and willing to exchange commodities and thereby encourage them in their operations so that they may become enabled to pay the great credit we have allowed them. We must sell them the wealth of our fields and factories; this must be done largely through the vast farming production of the country—that which keeps body and soul together. We must exchange the outputs of mills and factories that the wheels of industry may hum. We must become a world power in business as well as in might.

It is a peculiar situation, indeed, that we, the great creditor Nation of the world, the Nation whose wealth and resources almost equal that of the balance of the world—a people whose inventions and discoveries and whose adaptation thereof have been the marvel of the modern age—should to-day be enacting legislation against a world of impoverished nations, whose burdens of war have driven them to the verge of bankruptcy and despair. It would be ludicrous, indeed, but for its seriousness that a Republican Congress should to-day be enacting legislation to increase the cost of living of 110,000,000 of our people for the ostensible purpose of helping certain privileged classes, while vast factories and mills of the country are closed or working on short hours, railroads and other business are cutting wages, and thousands of workmen idly walk the streets.

Mr. YOUNG. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman, in the years that I have served in this body I have heard the crack of the Democratic whip reverberate loudly through these halls, but never in such thunderous sounds as it has this morning. The Democratic caucus has met and its relentless machine has run over the bodies of some 40 Democrats, including, I fear, that of my learned and distinguished friend, the gentleman from Texas [Mr. GARNER], coauthor with the gentleman from Michigan [Mr. FORDNEY] of this bill in the last session of Congress. [Laughter and applause.]

I listened with care and great interest to the speech of my friend from Texas [Mr. GARNER], but I do not know up to this time how he is going to vote on this measure. I fear, however, that he will show the effects of the grinding of that caucus machine. He seeks to make as his excuse for his vote against this measure, which he has hitherto so vigorously supported, a little proviso added at the end of what has been the law of this country since 1894, a proviso relating to the difference that may be exacted in the collection of customs duty due to the depreciation of foreign exchange.

Let us see exactly what that provision does. So far as I am personally concerned, I do not care 2 cents whether it stays in the bill or not. I regard it as of negligible importance, in view of the fact that it is only a question of weeks, I hope, before it is superseded by the proposed provision for home valuation. It simply provides that where goods are invoiced from a foreign country for importation into this country the customs values may not assume that that exchange has depreciated more than 66⅔ per cent. There are only two countries with whom we do business of any moment where the exchange has in fact depreciated more than 66⅔ per cent. One of them is Italy and the other is Germany. It should be remembered, however, that this provision applies only to articles that bear an ad valorem duty, and it has no relation whatever to articles bearing a specific duty and, of course, no relation to the very many articles that come in on the free list from those countries. It would apply in any event to a very relatively small proportion of those importations. Here is the way it would work:

The gentleman from Texas says that it will increase Germany's duties by 400 per cent. It would make Germany pay 400 per cent more than they would have to pay if they could invoice their goods in marks at a valuation of 2 cents per mark, but even then the total ad valorem duty would not be anywhere near what is provided even in the Underwood law. Let me illustrate. Suppose an article imported here from Germany bears under the Underwood law a 40 per cent ad valorem duty. Suppose Germany were permitted to value it at the exact valuation of a mark in foreign exchange. That would mean a depreciation of 90 per cent. In other words, instead of paying 40 per cent duty, it would pay only 5 per cent duty. That is the trouble with this foreign-exchange situation, and that is what makes necessary our provision in relation to American valuation, which I hope will shortly be reported to the House. All this does is to say that Germany can not value quite as low as her actual value of the mark is, so that instead of paying a duty of only 5 per cent they will pay a duty of about 15 per cent, while the duty fixed in the law is 40 per cent. That is the long and short of this proposition. The gentleman from Texas [Mr. GARNER] has gone out gunning for a lion and he has shot at a gnat. It is upon that flimsy excuse that he proposes to vote against the bill, than whom no other man in the last Congress had more to do in its framing.

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

Mr. LONGWORTH. With great pleasure.

Mr. GARNER. Let us see if we can come to an agreement in respect to the facts regarding the effect of this provision. The gentleman from Ohio does agree that the enactment of this provision in this bill will increase the duties from Germany 400 per cent.

Mr. LONGWORTH. Approximately.

Mr. GARNER. That is sufficient.

Mr. LONGWORTH. It will simply increase the duties they would pay if they were permitted to pay in the present valuation of the mark, and even then they would not go up anywhere near the duty provided in the Underwood law.

Mr. GARNER. But the gentleman does agree that the enactment of this provision into law will increase the present duties on goods coming from Germany 400 per cent.

Mr. LONGWORTH. Provided they are valued at the present depreciated currency.

Mr. GARNER. They are now valued on a basis of 2 cents, which is above their present market value.

Mr. LONGWORTH. And the gentleman will agree with me, I am sure, that as a supporter of the Underwood law, which placed a duty of 40 per cent on an article, he is not willing to see that country escape with a duty of only 15 per cent, which it would do under this provision, when the law provides for 40 per cent. Really, of course, the reason for the change of attitude on the part of 30 or 40 men on the Democratic side—and 30 or 40 men on that side constitutes quite a proportion of your membership at the present time—is because of the ukase issued in the minority report which I hold in my hand.

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

Mr. LONGWORTH. Certainly, because I want to have a little conversation with the gentleman from Texas about this minority report. I notice that it bears the signature of only one man—Mr. KITCHIN, of North Carolina—and I find myself confronted with two horns of a dilemma. Either these views represent only the views of Mr. KITCHIN or it was not thought worth while to attach the views of the other gentlemen who served on that committee, and their cooperation was assumed.

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Certainly.

Mr. BYRNES of South Carolina. While the gentleman is giving us information along that line will he please tell us how to account for the change in heart of the distinguished gentleman from Massachusetts [Mr. TREADWAY] and other gentlemen on that side?

Mr. LONGWORTH. Oh, the gentleman from Massachusetts [Mr. TREADWAY] explained most lucidly and convincingly the reason for his change of attitude. [Laughter and applause.]

I find in this document signed by Mr. KITCHIN a few apparently authoritative statements of Democratic principles:

The policies and principles advocated by the Democratic Party and inspiring the continued maintenance of its organization for nearly 100 years forbid our approval of the pending bill and impel us to rigorously protest against its passage. Approval of this bill by the Democrats in Congress would be a complete surrender of such principles and abandonment of such policies, and a confession that for over half a century the Democratic Party has been wrong and the Republican right on the tariff.

Further on—but I have not time to read further. Of course, in the face of that ukase no gentleman upon that side can resist except a very few brave men who have stood up here to-day—two gentlemen from Texas, who said that they would not be bound by the party whip, for they voted according to their conscience and the direction of their constituents. Now, the gentleman from Massachusetts [Mr. TREADWAY], in explanation of why he can now perfectly consistently vote for this bill, quoted the President of the United States. I will read only one sentence:

The urgency for an instant tariff enactment, emergency in character, and understood by our people that it is for the emergency only, can not be too much emphasized.

That is a doctrine that every Republican here and most of the Democrats can subscribe to, and it is a doctrine that exactly fits this case. Practically all of the arguments we have heard from the other side to-day have been based upon the theory that this is a permanent legislative enactment to put in force certain principles which are to continue to exist indefinitely. Now, the justification for this bill is the emergency which exists, and it is the only justification. This is emergency legislation and not permanent legislation. It is to last but for six months, and it is on that theory I voted for it, for I say very frankly——

Mr. BLANTON. Will the gentleman yield right there?

Mr. LONGWORTH. I can not yield; I beg the gentleman's pardon. It is emergency legislation. In advocating this bill at the time of the adoption of the conference report I said specifically that I did not propose to be bound by any one of the rates of duties fixed in the bill, and that no gentleman in voting for it would be bound by those rates of duty. I repeat that now, and I want further to say that the truth of that proposition will be illustrated when the Committee on Ways and Means reports the permanent tariff law. You will find then that we are not considering ourselves bound by these duties, particularly where they exceed the duties fixed in the Payne law. You will find very few duties, indeed, and only those demanded in peculiar instances, higher than those in the Payne law in the forthcoming tariff act and many much lower. I say that the emergency facing us to-day absolutely justifies the passage of this legislation. I am prepared also to say frankly that I do not think this bill will do for the industries so lamentably depressed to-day what its most enthusiastic friends say for it, and I am equally convinced that it will not do any of the bad things that those who oppose have predicted. It will have, though, without doubt, a beneficial effect, particularly upon the depressed agricultural industries of the West. It will have at least a great moral effect in encouraging those people to continue the production of the things which they are greatly discouraged from producing now. On that theory alone its passage is justified, and now that we have the machinery to pass it, now that we have a President who will sign it, we propose to make it the law of the land. [Applause on the Republican side.]

While I support this legislation, I admit my conviction that the present situation demands other remedies than merely the enactment of tariff legislation. To my mind the greatest trouble in this country to-day is the lack of capital invested in productive channels. [Applause.] And it comes largely from the fact that the very rich men of this country have diverted their capital from productive channels to channels where it may lie idle and not be subject to taxation. Now, my friends, we might just as well confess, because we have got to face it, that the situation can not be remedied until we have the courage to reduce some of the high surtaxes on the high incomes. It may sound unpopular when such a measure is proposed, but the fact has been proven beyond all questionable doubt that rich men are not willing to pay 70 per cent of their profits or incomes derived from their investment in taxes.

You can not keep them from transferring their capital into municipal bonds and other nontaxable securities. I was informed this morning that very nearly $16,000,000,000 is now invested in municipal securities in this country, not one cent of the income of which is taxable.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. May I have about three minutes additional?

Mr. YOUNG. I will be glad to extend the gentleman's time three minutes.

Mr. LONGWORTH. I hope we will have courage to meet this situation. If we do, while there will be a slight loss in revenue for the first year, in my judgment the money now untaxed will be diverted back and invested in productive enterprises which will give employment for labor and furnish the means for buying those products which are not now marketable. I think we have got to meet that situation, gentlemen, and ought to meet it courageously. The gentleman from Texas this morning expressed opposition to a sales tax. His opposition to a sales tax at this time is no stronger than mine. I stand for the proposition that we ought not now to shift the burden from wealth and put it on the consuming public.

The gentleman from Texas [Mr. GARNER], while he agreed that perhaps the majority on this side of this House were opposed to turnover sales tax at this time, intimated that in some other quarter—down the Avenue, perhaps—methods would be used to force us to swallow the sales tax. There was not one thing that the President said more forcibly here in this House on the day before yesterday than that stated in this sentence:

We are committed to the repeal of the excess-profits tax and the abolition of the inequities and unjustifiable exasperations in the present system. The country does not expect and will not approve a shifting of burdens.

There could not be a more clear, definite statement of the inadvisability at this time of shifting the tax burden to other shoulders than those now bearing it. The gentleman from Texas need have no concern as to this question at this time.

Mr. GARNER. I want to congratulate the country on the gentleman's statement, because I know he speaks with some authority.

May I revert to the question under consideration—of the tariff and the problems you have? I see it reported in the papers that the chairman of the Finance Committee and the leader of the Senate have decided that it will put on, as an amendment to this bill when it reaches the Senate, the valuation scheme. Is the gentleman informed in reference to the purposes in that particular?

Mr. LONGWORTH. I think I can state authoritatively to the gentleman that there is no draft of any such measure finally prepared in either House.

Mr. GARNER. Does the gentleman anticipate that this bill will be encumbered with the additional provision of valuation?

Mr. LONGWORTH. I should be surprised. I will say to the gentleman, if it were, because I hope that the Senate will pass this bill within a very reasonable time. I am not sure how soon a draft of an American valuation system can be agreed upon. It is a highly complicated subject.

Mr. GARNER. It is a complicated scheme, undoubtedly.

Mr. LONGWORTH. Our program, so far as I can speak for it, is as soon as possible to bring into this House a provision for American valuation, and I trust before it reaches the Senate the Senate will have passed this bill exactly as it is. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. YOUNG. Mr. Chairman, I yield 10 minutes to the leader of the majority, the gentleman from Wyoming [Mr. MONDELL]. [Applause.]

Mr. MONDELL. Mr. Chairman, for the second time within a few months we are called upon to vote upon an emergency tariff measure calculated to afford relief to the producers of certain important staple products of agriculture. To the measure as agreed upon in the last session of the Sixty-sixth Congress has been added provisions of general application intended to prevent the dumping on our market foreign goods at prices below the cost of their production or below the value of such articles in the markets of the country where produced. The measure before us therefore is not only calculated to afford relief to the producers of those of our more important agricultural products which have been particularly affected by the threat or fact of enormous importation, but in its antidumping provisions it will afford relief to a wide range of American products now threatened—in fact, already seriously affected—by importations of goods dumped upon our shores at rates at which they would not be offered in normal times and under ordinary conditions.

It was urged against this emergency tariff when it was before the last Congress, even by some of those who believed in the protective principle, that it was subject to criticism because it afforded relief and protection to only one class of products—the products of agriculture—and that there was a wide variety of other products equally menaced and equally entitled to consideration. The answer to that criticism was that while a protective tariff law covering the entire range of competitive products was urgently needed, it was practically impossible in an emergency measure, in any measure that could be passed promptly, to cover the entire range of products or even a very considerable portion of the products of the labor and industry of America entitled to consideration. While manufactured products have suffered severely, in no line of production has there been such a tremendous drop in prices as in certain important agricultural products. These have not only decreased in market value, but in some instances—notably in the case of wool—the bottom seems to have fallen entirely out of the market, and unless relief is speedily afforded it is believed that bankruptcy will overtake many of those engaged in these industries and a permanent loss to the Nation will occur in the permanent curtailment of essential production. While the protection of American products generally is urgent and essential, immediate relief and protection to certain agricultural interests is imperative.

While many lines of endeavor and enterprise are important, agriculture may properly be termed the basic industry. The failure and the embarrassment of other lines of industry are most lamentable and regrettable; an agricultural failure resulting in a permanent reduction of the volume of production would be well-nigh fatal. If agriculture fails, all fails; hence the importance, the necessity, of this legislation.

In a general way this was the defense, this was the unanswerable argument in favor of the bill when presented in the last Congress. As presented to us now, its antidumping features make it of general application, of general interest, and of general benefit. We can not, of course, be absolutely certain in advance to what extent the antidumping feature will operate to protect our industries, but wisely administered it should wholly prevent that class of importation, which is the most harmful and destructive, that which occurs under pressure of unsatisfactory market conditions abroad and at any price which will find a market here.

Mr. Chairman, I have read with some care the minority views of Mr. CLAUDE KITCHIN. I would prefer to refer to these views with Mr. KITCHIN on the floor, but as he is unable to be here I must make some reference to them in his absence. Perhaps the most striking feature of these minority views lies in the fact that they were signed only by the ranking Democratic member of the Ways and Means Committee. They do not carry the names of the other seven minority members. We may therefore perhaps properly assume that they did not express their views. At any rate these minority views come to us as a curious reminder of a period long passed probably never to return. Practically everyone except Mr. KITCHIN realizes that the Democratic Party is no longer adhering either to its ancient free-trade doctrines or even wholly to the later slogan of "Tariff for revenue only." The Democratic vote on this measure when it passed the House in the last Congress was sufficient evidence of this fact, and, while the influence of some of the old standpatters and reactionaries on that side may temporarily defeat the expression of the real opinion of the minority in connection with this bill the suppression of the newer, the better, and the more enlightened view of the Democrats of the country and of their Representatives in the Congress can not be permanent. The country has lost patience with Bourbon sentiment, whether it be applied to tariff or other public questions, and while certain gentlemen may attempt to stand in the way of progress and enlightenment their attempts will fail.

Another feature of the one-man expression of minority views is curiously and rather offensively reminiscent of a frame of mind and a line of argument which no longer has its old-time appeal. Gentlemen may denounce protection as a scheme of the robber barons as beneficial only to the trusts and monopolies, may indulge in all of the extravagances and excess of denunciation in reference to the protection of American labor and industries, which was popular and somewhat effective in the past. But their words no longer either strike terror to the timid or stir the blood of the captious and critical, or of the little and constantly decreasing band which still adheres to outworn and discarded views. Those things have all been long since discounted.

The American people, without regard in many cases to the political faith they claim to possess, can be no longer fooled into believing that protection is in the interest of a favored few and harmful to the interest of the many. On the contrary, there never was a time in America when there was so general a view and opinion favorable to the protective policy as to-day. There never was a time when the need of protection to American labor and American industry was so clear and apparent, so generally recognized.

I am not surprised that the minority views have but one signature. They come as a curious, belated echo of views and opinions no longer held by any considerable number of people and of extravagances of expression that no longer stir the public pulse.

We shall pass this bill, not with the expectation of restoring agricultural products to war-time prices. It may not result in advancing prices to a considerable extent, but we shall at least steady the market and to some extent relieve the situation. We hope to restore prices where they have fallen below the cost of production and hearten those engaged in agricultural industries—in fact, those engaged in all industries—to continue their effort in the assurance that they shall not remain indefinitely the prey of conditions which threaten destruction of industries.

With this bill on its legislative way we shall then proceed to the further careful and painstaking consideration of a permanent tariff measure, and before this session closes we hope to have upon the statute books a measure which shall meet the needs of the time—the protection of American labor and industry; the protection of American standards of living; the protection of American opportunity in the period of returning and stable prosperity which we hopefully look forward to. [Applause on the Republican side.]

Mr. COLLIER. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. HARDY].

Mr. HARDY of Texas. Mr. Chairman, if there were not an element of tragedy in this bill or if a bill along its lines were presented in normal times it would be full of comedy. We have the last gentleman on the Republican side [Mr. MONDELL] appealing to his confreres and talking to us about the Bourbonism on our side of the aisle, while insisting on a very monstrosity of their old robber tariff, because this bill makes the Payne-Aldrich bill blush for its modesty. And we have the gentleman who has just preceded him [Mr. LONGWORTH] acknowledging that this bill will accomplish practically none of the good which is promised for it by its advocates, and, he thinks, none of the evil prophesied by its opponents. Then what is this tempest in a teapot about, except that we are holding out to the great struggling, toiling, and suffering multitudes and masses of farmers of this land a promise to do something for them, when the truth is the gentleman from Ohio [Mr. LONGWORTH] is right in saying that it will do nothing for them. It will do nothing for us except perhaps to help debauch some good man who feels tremblingly in the presence of our disaster and may have

a faint hope that it will help his people and that it is his duty, even though it submerges his lifetime principles, to try to help them. I sympathize with that view, but it is a tragedy when men abandon their honest faith for a foolish hope. And I wish it had no ulterior or sinister purpose of using the extremity of the farmer in order to help the manufacturer impose heavier burdens on the consumer.

Mr. Chairman, we are all human. If the majority of the people of my district became convinced that their better interest, regardless of the better interest of the whole country, lay in protective tariff, they would become protectionists. That is human nature. The truth about the business is simply that protection is a great appeal to the man who thinks he is going to receive a benefit from it. And after all, it must be determined in the ultimate mill of the gods upon the basis of whether it benefits more people than it burdens. Men will vote the way they think their own interests lie. If a high protective tariff benefits the great majority it is going to be the prevalent doctrine in this country.

I shall discuss this particular bill therefore from the standpoints of its benefits and burdens. Whom will it benefit and who will be burdened? Let us see what is in this bill. Gentlemen, the manufacturer knows how to protect himself against protection, and he does it magnificently in this bill.

What is in the bill? A duty on wheat, to prevent imports, and thereby protect the wheat farmer against competition. Yet the evidence shows that while 35,000,000 bushels of wheat were imported last year, 218,000,000 bushels were exported and sold by us in the world market.

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

Mr. HARDY of Texas. Yes.

Mr. FORDNEY. Very briefly: If you will examine the record you will find that that wheat was imported at $2.12 per bushel, while we exported at $2.83 a bushel.

Mr. HARDY of Texas. It is hard for me to believe that Canadians sold us their wheat at $2.42 per bushel when they could get $2.83 per bushel, as we did in the open world market, but I do not care how or why or at what price it was imported or exported. It simply shows that we export nearly ten times as much as we import, and the Canadian did not sell us his wheat for less than he could have sold it for elsewhere, allowing for cost of freight and marketing. Very possibly we exported the very same wheat we imported and made a small profit on it. It is the same way about corn. We imported 7,744,000 bushels of corn in 1920, and we exported about 20,000,000 bushels in the same length of time, and during the last month, I believe, the official statement is that we exported thirty times as much as we imported.

That is not all. Who imports wheat? Why, the millman, the flour manufacturer. The manufacturer is guaranteed against the duty put on imported wheat. Why or how? I will not at this time tell you why, but I will tell you how he is protected against the duty. He is protected by an old provision of the law, that if he takes that wheat and grinds it into flour and exports it, he gets back 99 per cent of his duty. This is a law already on the statute, and is known as the manufacturers' drawback law. Under that law and after the passage of this bill he can import all the wheat he wants to without enriching the Treasury of the United States one cent. If he imports 100 bushels of wheat under this bill he pays $35 duty, and then, if he makes it into flour and exports it, he gets back $34.65. The Government keeps 35 cents to pay the expense of collecting and refunding the tax. I rather think the Government loses money by the transaction. Every millman in the district and State of our genial chairman of the Committee on Ways and Means can import his millions of bushels of wheat and grind it into flour and send it out, and then draw back 99 per cent of all he pays in duty.

Mr. FORDNEY. He gets a drawback on the flour only, but he must pay a duty on the by-products, the bran and middlings, which constitute 25 per cent of the duty on wheat.

Mr. HARDY of Texas. Oh, no, Mr. Chairman. Under the law he can get back the whole duty on the wheat except 1 per cent of what he paid.

Mr. FORDNEY. Under the existing law there is no duty on wheat.

Mr. HARDY of Texas. I am talking about the existing law that will come into force and apply to this law as soon as you put a duty on wheat.

Mr. FORDNEY. There is no provision to make him pay a duty on the bran and middlings in this bill, but I promise you there will be in the next law.

Mr. HARDY of Texas. Oh, the gentleman promises what he will do in the next law, but I am talking about the drawback which the miller can get when he grinds the imported wheat and sends out the flour. Let me read you the law. On page 98 of the copy of the tariff act issued by the Treasury Department we find:

O. That upon the exportation of articles manufactured or produced in the United States by the use of imported merchandise or materials upon which customs duties have been paid, the full amount of such duties paid upon the quantity of materials used in the manufacture or production of the exported product shall be refunded as drawback, less 1 per cent of such duties: *Provided*, That where a principal product and a by-product result from the manipulation of imported material and only the by-product is exported, the proportion of the drawback distributed to such by-product shall not exceed the duty assessable under this act on a similar by-product of foreign origin if imported into the United States. Where no duty is assessable upon the importation of a corresponding by-product, no drawback shall be payable on such by-product produced from the imported material; if, however, the principal product is exported, then on the exportation thereof there shall be refunded as drawback the whole of the duty paid on the imported material used in the production of both the principal and the by-product, less 1 per cent, as hereinbefore provided.

The same thing is true as to corn. And what about the beef that the great export packers import and then export? Why, they get all that duty back. But when my friends, the stockmen, import cattle to graze or for breeding they pay the duty and get nothing back.

Mr. HUDSPETH. There is nothing here, as I understand, about that.

Mr. HARDY of Texas. Maybe I am mistaken about breeding cattle. In fact, I believe they are exempted from this tax, but grazing cattle are not. The cattleman never gets a drawback. On beef that comes in and is slaughtered by small, independent packers for home consumption they must pay the duty and get no drawback, but the great export packers will not pay it without getting it back again. I want the farmers, if ever they become protectionists, to learn how to protect themselves against protection, a lesson which the manufacturers have learned perfectly, as they luminously show in this bill.

Mr. FORDNEY. You had eight years in which to do it. Why did you not do it then?

Mr. HARDY of Texas. Because the manufacturers have had the wool pulled over the eyes of some farmers and wool men for 20 years, and they have not noticed it, and there is, in fact, I fear, no way to protect the farmer against protection except by defeating protection. When the Underwood bill was passed here facts were brought in to show that the prices of wool in Boston and in Liverpool were just about the same.

Mr. FORDNEY. Do not accuse me of voting for the Underwood bill. [Laughter.]

Mr. HARDY of Texas. As I was saying, Mr. Chairman, the market price of wool in Boston and in Liverpool, when there was 11 cents duty, was substantially the same. Why was it? It was because when the wool manufacturer or buyer came to my State of Texas to buy, or the grower went to Boston to sell, the woolgrower said, "I want the world market price, plus the tax, for my wool," and the millman said, "We will give you the world market price, but we will not add the 11 cents tax for raw wool or 33 cents for scoured wool. If you do not want to take what we offer, take your wool to Liverpool." Of course, the woolgrower could not do that, because after he had paid the freight he would only get what he was offered in Boston, and so the prices current of those years when we had 11 cents duty on raw wool showed Liverpool and Boston prices substantially the same.

Mr. FORDNEY. Who paid the freight at that rate?

Mr. HARDY of Texas. The man who had the wool would have had to pay the freight to get it to Liverpool and take the market price there. Rather than do that he sold it in our protected market at Boston for the Liverpool price. That is what he did. That is what your statistics show, and that is what the unorganized producers of raw materials will do again. No man pays more for an article than he is compelled to pay.

Mr. MONDELL. Will the gentleman from Texas yield?

Mr. HARDY of Texas. If I have the time.

Mr. MONDELL. Do I understand the gentleman to say that the import duty on wool did not, as a matter of fact, raise the price in our markets?

Mr. HARDY of Texas. Only a very little, not to exceed 1 cent; that is, the price to our woolgrowers.

Mr. MONDELL. Then who was hurt? The Government certainly got the duty on all wool imported, and yet the gentleman says the price was not raised.

Mr. HARDY of Texas. The manufacturer of woolen goods put up the price of his finished product and made the ultimate consumer pay for it just as though he had paid the added price for home-grown wool, because he was protected by an exorbitant so-called compensatory duty; and you do the same thing now under this bill. [Applause.]

Mr. MONDELL. I will say to the gentleman from Texas that that is the merest nonsense.

Mr. HARDY of Texas. That is the last answer when you have no answer. You have got the same thing now. The opening speech on this subject stated that there was a two-year supply of wool on hand to-day. Mainly in Boston, I presume. Do you think the merchants and millmen who bought that wool are going back and pay an additional price to the sheep grower and wool producer after this bill passes, or that if the growers still own some of it that they will pay above world market for it? No; but they will pile up the price on the finished product to the consumer in proportion to their privilege under this bill. And their privilege under this bill is to put upon every pound of woolen goods they make the present rate of taxes plus practically twice the tax on wool under this bill. That is their compensatory duty under this bill, whether it raises the price of wool to them or not. If the chief ingredient of a piece of cloth is wool, even though it be only 51 per cent wool, they are given an added duty of 45 cents per pound on their cloth and so get an added duty of practically 90 cents per pound on the woolen contents of the cloth. It must be understood that duty under this bill is 15 cents per pound on raw unwashed wool and 45 cents on scoured wool. Only scoured wool goes into cloth. You put this added burden on the people who wear the woolen goods, and you do it in the name of protection to the farmer and the woolgrower and the sheepman. For 20 years manufacturers have pulled the wool over the eyes of the woolgrower, and now they see, forsooth, an opportunity to pull it over the eyes of the corn grower and the wheat grower. Do you know, there was an angel of darkness who was driven from heaven when Satan fell. He perverted the truth, he disguised facts. He sat at the portals of earth to pervert and tempt mankind. He sat there, clad in white, when Gabriel visited the earth; but Gabriel penetrated his disguise and pierced it with the sword of truth. Then the white robe fell off and exposed the figure of this universal deceiver in all its hideousness and deformity. I have forgotten what his name was, but I think he was the ancestor of the Republican Party. [Applause and laughter.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. Will the gentleman from Texas use some of his time?

Mr. GARNER. I yield five minutes to my colleague [Mr. HUDSPETH]. [Applause.]

The CHAIRMAN. The Chair is informed that on an equal division of time the gentleman from Texas [Mr. GARNER] would have eight minutes remaining.

Mr. YOUNG. I will give the gentleman five minutes, and that will perhaps run us a few minutes beyond 5.30.

Mr. HUDSPETH. Mr. Chairman and gentlemen of the House, if an emergency existed for the passage of this measure last December, then there is not the slightest question but that emergency exists to-day to a greater extent than it did when the bill passed at the last session, and will continue to exist until remedial legislation is had.

Let me remind my Democratic colleagues on this side who are so harshly criticizing this emergency measure that this is not the first time an emergency tariff measure has been passed by the United States Congress. In 1812, following the war between this country and England, when prices of the commodities of this country had gone far below the cost of production and our country was passing through a perilous financial crisis, as our country is facing to-day, an emergency tariff bill, immediately following the treaty of peace, was passed, and not by a Republican Congress. I say to you, my friends, that following the war, with conditions confronting the country, forecasting financial disaster to a major portion of its industries, as our people are facing to-day, an overwhelming Democratic Congress passed an emergency tariff, levying duties of 100 per cent on the raw products of this country, the tenure of said law being for the period of one and one-half years.

This Young emergency tariff bill has the same general purpose as had the emergency tariff bill passed by the Democrats following the War of 1812—reconstruction and recovery on a basis of fairness to all industries.

Again, the Democratic platform of 1872 contained this declaration: "Recognizing that there are in our midst honest but irreconcilable differences of opinion with regard to the respective systems of protection and free trade, we remit the discussion of the subject to the people in their congressional districts, and to the decision of the Congress thereof, free from Executive interference and dictation."

This declaration left every Democratic member of Congress free on matters of tariff, and shows that there was an honest difference of opinion within the Democratic ranks on this great question. Yet, in the face of these incidents in the political history of our country and my party, I am to be criticized by some of my Democratic colleagues, and my attitude as a party man brought into question, because I am obeying the wishes of the Democracy of the sixteenth congressional district of Texas. Sir, they have honored me with their confidence and their respect from the time I went among them as a barefooted boy. Gentlemen, I may forfeit my office in time to come, but I will never betray the confidence of my people. There are many things dearer in this life than holding office, and one, especially, is to live in the esteem and confidence of your constituents and the people who grant you authority to speak for them.

And let me say here in reply to the speech delivered by my friend and colleague, Judge HARDY, of my State, who has just preceded me, with reference to his statement that under the Payne-Aldrich bill, with an 11-cent duty on wool, the producer of wool did not get the benefit of it. I want to say to my friend that the history of our grand old party refers us to the fact that it has never stood for the doctrine of free raw materials but for one time, and that was when it passed the Wilson-Gorman tariff bill, in 1894, and it went down to a humiliating defeat the following November, from which it did not recover for 16 long years. In 1837 was the first time that wool was ever put upon the free list or attempted to be in a tariff bill. Let me remind my colleague from Texas again that at that time the House was Democratic. Upon the Ways and Means Committee, which framed the measure, there were eight Democrats and five Republicans. Four Democrats voted for a duty on wool, and on that committee were such Democrats and leaders as the Hon. William R. Morrison, of Illinois, and the Hon. Roger Q. Mills, of Texas. Four Democrats upon that committee voted to place wool upon the free list and four Democrats voted against it. In order to break the tie the Speaker, the Hon. John G. Carlisle, a Democrat, was called into the committee from his chair in the House of Representatives, and he voted with those who favored placing wool on the free list. Twice was this incorporated in a bill by a Democratic committee prior to the enactment of the Wilson-Gorman bill in 1894; these tariff measures failed of enactment until wool on the free list and free raw materials were finally incorporated in the bill aforementioned, which brought about, in my judgment, the disastrous overthrough of the Democratic Party, which had stood for the doctrine of free raw materials, and went off under the delusion of Clevelandism. And let me remind my Democratic colleagues again that following the election in 1894 there were fewer Democrats in this House than there are to-day, and fewer than any preceding Congress, not excepting the period immediately following the Civil War. And let me remind you again that in 1840 the Whigs, which was the party from whose loins sprung the Republican Party, were swept into power by a tremendous majority.

They followed their triumphant election with the passage of a tariff bill in 1842, in which the thread of free raw materials ran through its entire fabric, and the dissatisfaction of the people with said measure was so complete and overwhelming that in 1844 the Whigs were swept out of office from cellar to garret, and the Democrats succeeding them passed what was known as the Walker Tariff Act, placing a duty upon the raw materials of this country.

Our learned and beloved leader, and my friend, Mr. KITCHIN, stated the other day that the tariff was not an issue in the last campaign. I humbly ask to differ from the judgment of our leader and state that I think that it was a material issue, and that the overwhelming defeat of the Democratic Party was occasioned largely by the failure to declare equal rights to the producer, and that the production of his hand and brain should not be discriminated against in favor of the manufacturer of New England and to emphatically declare against the monstrous doctrine of free raw materials. I know, gentlemen, that it was an issue in my State, and I believe that the slump in the great and usual Democratic majority in that State was occasioned by the farmers and the ranchmen believing that they had been discriminated against by Democratic Congresses of the past.

Go back to the Democracy of my State. Let me state to you that three times has the question of a tariff for revenue and a duty on the raw materials occasioned by a tariff for revenue been submitted to my people, and in every instance an overwhelming verdict has been recorded in favor of a duty on the raw materials, commonly known as a tariff for revenue. I mean by this, sir, that the people of my State have said by their verdict on three different occasions that I recall now: First, when Gov. Culberson defeated Senator Mills for the Senate, Mills having reversed himself on his former policy, and Culberson standing out for a tariff for revenue and placing of equal duties on the raw materials as well as the manufactured article; in 1896 when the Democracy of Texas in convention assem-

bled at Austin declared through its delegates and representatives in said convention, and I quote you its exact language:

We believe that the present tariff law, which lets into the country raw materials free of duty and levies heavy duties on manufactured products, thus subjecting our agricultural and pastoral classes to competition with the world, while it enables the rich manufacturer, by means of combinations and trusts, to extort their own prices for their product from the people, violates the Federal Constitution as well as the fundamental principles of the Democratic Party—

And the national platform at Chicago following the Texas Democratic convention copied almost word for word the Democrats from Texas on this fight; and again the issue was made in unmistakable terms before the people of my State, and Senator Joseph W. Bailey, then a Member of Congress, in 1900 defeated Senator Horace Chilton, then a Member of the Senate, for that high office, upon this very issue, Chilton taking the same position as was taken by Senator Mills in the contest with Senator CULBERSON. Then, gentlemen, am I warranted as a Democrat in supporting this measure, every item and schedule in this bill, upon which a duty is placed, being a raw material of this country? If I am wrong, then the greatest Democrats of my State are wrong. Not only that, but the greatest Democrats and the most profound thinkers on economic and political lines of this Nation are wrong.

Now, again referring to the statement of my colleague, Judge HARDY, that under the Payne-Aldrich tariff the wool producer did not receive any benefit, let me say in reply, that under the Wilson-Gorman bill in 1894 wool was sold in my State as low as 4 cents per pound, and I saw a bunch of 3 and 4 year old mutton sheep sell on the plaza of Osona, Crockett County, at 55 cents per head. During the latter part of Cleveland's administration sheep decreased in Texas from 2,000,000 to 1,600,000. Upon the passage of the Dingley bill the raising of a duty on wool, wool immediately began to advance, the influx of foreign wools being curtailed to a certain extent. Now, can you gentlemen who are opposing this bill on my side justify your action before the farmers of your country in passing a duty upon wool when you voted for a 35 per cent ad valorem duty upon the manufactured articles under the Underwood tariff and a 45 per cent ad valorem duty under the Wilson-Gorman tariff? Can you go back and look the farmer in the face in your district and say to him that you voted for a duty of 35 and 45 per cent ad valorem upon the clothing that he has on his back and refused to vote for a duty on cotton and wool that he produces that goes into the manufacture of said article? If there is a Democrat in this House that can justify his action, let him rise at this time and I will give him part of my time to justify his action. No one rises, and no one dares to rise.

Judge HARDY says that under the Payne-Aldrich tariff the wool producers are not benefited; that the prices in Liverpool and Boston were the same. It is a remarkable statement, and the facts to me are astounding, that a wool producer in the West—say from my State of Texas—would ship his wool across the States and over the sea to Liverpool and sell it for the same price that he would get in Boston, with a greater charge of freight for its shipment. It is not fair to the wool producer to compare the price of wool under the Underwood bill, which went into effect December 1, 1913, with that of the Payne-Aldrich tariff, which went into effect October 1, 1909. Everyone knows that the great World War broke out in August, 1914, about eight months after the Underwood tariff bill went into effect, which immediately stimulated and increased the demand for wool all over the world. Everyone knows that the war was the immediate cause of all advances of wool, and soon after the war ceased and all our soldiers went back into civil life the prices of wool began to decline, until to-day it is as low as 10 cents per pound, and no stable market at that price. Following the passage of every tariff measure in the history of this country, placing a duty on wool, wool has immediately advanced, and no one can successfully contradict this statement. [Applause.]

Mr. HARDY of Texas. Will the gentleman yield?

Mr. HUDSPETH. I yield to my colleague from Texas.

Mr. HARDY of Texas. In 1857 we passed the Republican bill, and cotton went down to 4 cents a pound.

Mr. HUDSPETH. Probably because the Democratic Party was standing for free raw materials.

Mr. HARDY of Texas. And the Republican Party was in power.

Mr. HUDSPETH. It was a Democratic Congress. The Ways and Means Committee consisted of eight Democrats and five Republicans, and that is the first time that wool was ever put on the free list, and it was done by the vote of Speaker Carlisle called from the chair.

Mr. HARDY of Texas. I am talking about after the McKinley tariff bill was put into effect, when cotton went down lower than it ever had been.

Mr. HUDSPETH. Not lower than wool; wool was 4 cents a pound under the Wilson-Gorman bill.

Mr. HARDY of Texas. Did it go any lower under the Underwood bill?

Mr. HUDSPETH. God knows it could not go any lower. [Laughter.]

Mr. HARDY of Texas. What was the result under the Underwood bill?

Mr. HUDSPETH. Wool declined some immediately after its passage, and the World War broke out, increasing the demand for wool all over the world soon after the passage of the Underwood bill. Some of my friends declare that I am not an orthodox Democrat because I ask for a tariff upon the products of my district and my section, when a strong duty is now and has been for eight years on the manufactured article. I want to say to you that I have been all of my life an advocate, and expect to live and die one, for a tariff for revenue, but I want that equitably distributed. It is stated by my Democratic friends that the emergency tariff bill will not raise any revenue. Now, let me address my remarks to my colleagues on the Democratic side who oppose this bill but say they are for a measure that will raise the most revenue. Can any man on my side state that this Young emergency bill will not raise revenue? The rates are very little higher, and in some instances lower, than they were under the Payne-Aldrich bill, and I am by no means defending every schedule of that Republican bill, but as a comparison only as to raising revenue. Wool is 15 cents under this. Frozen meats, about the same. Onions are 40 cents under this bill, and they were 20 cents under the Underwood bill. Now, let me give you the absolute figures gathered from the Treasury Department, if it is revenue you are after, and God knows we need revenue at this time, with the war debt of something like thirty billions hanging over the heads of the producers of this country. During the four years that the Payne-Aldrich bill was in effect there was collected in revenue through the customhouses of this country, $1,278,303,584.35. During the seven years that the Underwood bill has been upon the statute books the revenue produced is $1,630,979,098.47. A difference of $322,000,000 in favor of the Underwood bill, with a tenure of three years longer than the Payne-Aldrich, and the rates in this measure are very little higher, and in some instances about the same and in many others lower, than that of the Payne-Aldrich, and yet you say that this bill will not raise revenue.

Mr. YOUNG. Will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. YOUNG. According to the statement of the gentleman from Maryland [Mr. LINTHICUM], if the revenue raised in the whole United States is in proportion to that raised in Maryland, it would make a revenue of $3,163,000,000.

Mr. HUDSPETH. Yes; according to his statement. I say that a few rates are very little higher under this bill than they were under the Payne-Aldrich bill. My friend from Maryland [Mr. LINTHICUM] stated that the wool was in the hands of the trust. In my State of Texas there are 6,000 Democrats producing wool to-day, but there will not be that many two years from now if you do not give them some relief and you continue to discriminate against them when you frame tariff measures, bestowing your bounties on the manufacturers of New England. They are not going to stand for this discrimination much longer by their own party, and you may just as well recognize it now as be confronted with it a little while later. I want to serve notice on you here and now that the Democrats of my district, which includes the cotton and grain farmers and the cattle and wool producers, are not going to stand for the man in his steam-heated house in New England to have a tax on the materials that he manufactures and give him protection against his foreign competitor while the farmer and ranchman who toil in the heat of the summer and cold of the winter are discriminated against. The man who toils in the coal mines underneath the earth to produce the wealth of this country receives no tax duties upon the articles of commerce that they produce. We may just as well understand each other now as at any other time. My State is not going to stand for it. As an evidence of this fact, I hold in my hand here not only hundreds but thousands of letters and telegrams that, if I had the time, I could read you, letter after letter, from men, like myself, who never scratched a Democratic ticket in all the days of their life. I never have and never expect to, although at times it has sorely tried my party loyalty to vote for certain men upon the Democratic ticket, but I did it without blinking an eye. If you do

not want me to vote for a man, do not put him on the Democratic ticket. If you knew the men from whom I have received these letters as I know them you would not question their loyalty to the party in the past. They say they are not going to stand for this discrimination longer; but I have an abiding faith in the soundness and judgment of my party in the future. I know that in the future it will not, as it has not in the past, adopt the false doctrine of free raw materials. I do not ask that it bestow special privileges upon any class, but I do ask at your hands equal and exact justice to every citizen under that flag, and that the humblest citizen in his unpretentious and humble home be accorded the same rights as the millionaire manufacturer of New England in his luxurious mansion of marble has enjoyed in the past.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HUDSPETH. May I have two or three minutes more?

Mr. YOUNG. I hope the gentleman may be permitted to conclude his remarks, and I ask that he may do so.

Mr. HUDSPETH. Let me in the brief space allotted to me reply to my friend from Maryland [Mr. LINTHICUM] in his remarkable statement. He states, upon what authority I do not know, that the trusts are in possession of the entire wool production of the United States. I state upon good authority, namely, the Bureau of Markets, that we have two years' supply of wool in this country, and foreign wools coming in at the rate of 30,000,000 pounds a month. This does not include the 300,000,000 pounds just being shorn from the backs of the sheep known as the spring clip. I hold in my hand a telegram which I received to-day, which I think is good authority, from one of the largest wool firms in Boston—Studley & Emery—men who are recognized in Texas as being honest. They purchased wool there when I was a boy. This telegram states that there are 5,000,000 pounds of Texas wool to-day in Boston unsold, owned by the producer. That now, mind you, includes only the last fall clip and the clips previous thereto. They say that to-day there are in Boston 150,000,000 pounds, and in a subsequent telegram they state they are mistaken in this and that there are 200,000,000 pounds of wool owned by the men, the producers, from Mr. MONDELL's State, the State of Wyoming, Idaho, and the great Northwest unsold; and you talk about the trusts getting all the benefit under this bill—the so-called robber trusts. No, my friends, the producer will get some of the benefit. The speculator gets his part. You can not help it and I can not. This measure and the passage thereof means the survival of an industry particularly fitted to certain portions of the great West and South. When I say the South I include the cotton farmer and the grain producer, as this bill carries a duty upon the importation of foreign cotton and grain. The peanut grower is included, the vegetable-oil producer and a number of other products of the farm. Unless some relief is given to these people that will benefit the live-stock and the wool producer and the farmer those great industries can not survive. When the wool business is destroyed do you believe the wool producer of Australia and New Zealand and the other foreign countries will send his wool to Boston when he has no competitor in this country and sell at the price that he is selling for to-day? No, my friends, unfortunately human greed controls largely the acts of many men; and immediately when his competition in this country is destroyed the foreign producer will raise his wool and sell at 500 per cent higher if he is permitted to do so. You do not want to destroy, as was suggested by a certain Senator—thank God he is not one now—when this measure was before the Senate last session, the great wool-producing industry of this country.

Pin your faith solely to the domestic producer and rely upon him to clothe you and your family from the chilly blasts of winter. In my State there are thousands of acres of land unfitted for any other industry except that of growing sheep and goats. I know it and many of you know it. What was intended by the great Supreme Ruler of this earth when he created the waters of the sea, the valleys, and the mountains of the earth, solely for pastoral purposes and grazing of herds? Let me remind you again of another, to my mind, important fact that I want to impress deeply into the minds and consciences of this Congress. The woolgrowers of this country were called to Washington during the war by the Counsel of National Defense to fix the price of wool. The Government took over our wools, not at the price that was obtained at that time, 1918, but at the price prevailing on July 30, 1917, a reduction of from 18 to 25 per cent of the price prevailing when the wool was taken over. The sheepmen as patriots acquiesced and estopped themselves from taking the profits that other producers got. In addition to this, in my district they were cheated out of hundreds of thousands of dollars on false valuations placed on their wools by a designing and autocratic committee appointed by our Government and its agents. But he met the demands of his Government in its peril and now he only asks that his Government treat him fairly hereafter and accord him the same rights as it has accorded his New England neighbor in these many years.

Not only that, sir, agents were sent through the country to induce the ranchmen to grow more wool and produce more sheep, and they did it. At that time we were asked to increase our flocks. We went to the great Northwest and purchased breeding ewes at $10, $12, and $15 per head. These sheep to-day could not be sold for one-third nor one-fourth of that amount. One county in my district, the county of Val Verde, yes, two counties, I will say—Val Verde and Crockett—purchased 200,000 sheep in the State of Wyoming and other Northwestern States. Our country called upon us to do it was our chief reason. We are now asked by some of the very men who induced us to do it—some of them in this House to-day—to stand here and let that industry die. Why? Because the Republican Party has introduced an emergency tariff bill. Let me say with all the emphasis at my command, not for me, sirs, not for me. [Applause.]

Let me say again to you when the Republicans introduce a measure that I believe to be just, that I believe will extend adequate and exact justice to the industries of my section and of the Nation, I shall support it. I say to you that every drop of blood that courses through my veins is Democratic blood. The democracy of my district and my State has honored me far beyond my deserts in the past.

The Democrats of my State have reposed confidence in me for over 20 years. They elected me to the high office of justice of the peace when I was 18 years old [laughter], and I have held office ever since. They honored me with the position of Representative, State senator, and district judge—a short time—for 16 years. I was chosen chairman of the great Democracy of my State in 1911 and presided over the Democratic convention of my State which declared for a tariff on the raw products of this country. I know that my people believe that I am true to Democratic principles, and I have repeatedly for the past 15 years indicated from every stump in my district that I would vote for a tariff on the importation of raw materials as long as Congress placed a tariff on the manufactured article. [Applause.]

My friend from Texas, Judge HARDY, says the Beef Trust will get the benefits from this legislation. I want to say to you that the main objection that I have to this bill is, I will say to my friend from Michigan, Mr. FORDNEY, that he did not include hides in the measure. Hides ought to be included. No man living or dead can justify the placing of hides upon the free list and levying a duty upon the importation of leather. When hides were taken from the dutiable and placed on the free list every Democrat in the Texas delegation agreed with me at that time with the exception of one; this includes both Senators. Hides were discriminated against and placed upon the free list. I recall now we raised $2,000,000 in revenue annually when hides were on the dutiable list. From the duty on goods manufactured from hides we received the small sum of $30,000. Now, will my Democratic colleagues claim that I am not a Democrat when I vote for a duty on hides that raised $2,000,000 and that they are tariff-for-revenue Democrats when they vote for a duty on boots and shoes and leather goods, that bring into the Public Treasury only $30,000? No party caucus can ever bind me to vote for free hides and leave a duty on the articles out of which hides are manufactured. The Democracy of the sixteenth congressional district can bind me, and I will at all times obey that command. When it fails to instruct and I am not fully cognizant of its wishes, then I will yield to party instruction here. Immediately after the import tax on hides was removed, the shoes upon your feet immediately advanced 100, 200, and 300 per cent. The consumer, the wearer of shoes, the farmer's boy, and the farmer's girl got no benefit from this discrimination. No; it was the Leather Trust. It was the New England boot and shoe manufacturer who got the benefit, for he immediately raised the price of his product. He was enabled to buy hides cheaper, but he did not give the consumer and the producer the benefit of it, but he raised the price of shoes and leather goods in proportion to the tariff levied upon the importation of leather, so that his price was fixed to meet the foreign competitor, who had to pay a duty upon the leather he imported into this country. There is no reason on God's earth why the Republicans should not have included a reasonable duty in this bill upon the importation of all hides, unless the Leather Trust and the manufacturing interests of New England have too strong a hold on that party. Of course, you should not say, and I will not say,

to the shoemaker and the boot manufacturer that you shall have a duty upon what you produce and the material out of which your goods are produced should be left free of duty.

I come now to the Beef Trust. Do you know what is the matter with live stock to-day—with beef and mutton? I see that our leader, Mr. KITCHIN, in his minority views claims that during last year we imported something like 146,000 cattle and exported something like 80,000.

I have not the report before me at this time and these figures may not be absolutely correct, but something in that neighborhood. Anyway the importation of cattle on the hoof has not for several years affected the price of beef in this country materially. Why, we have in Texas something like seven or eight million cattle to-day and 70,000,000 in the United States. The duty on the importation of cattle on the hoof is not going to materially affect the price of beef in this country. Mexico, from which country we formerly imported a great many cattle, on account of the constant revolutions for the past 10 years has been stripped of her cattle. Millions of acres to-day do not contain one single hoof of cattle in that country. Canada is the other country from which cattle on the hoof is imported, and we have only gotten about 100,000 head of cattle from there in the past year. The importation of cattle does not affect the market except to the slightest degree. I will tell you what has affected the market and has caused cattle to shrink in value from $50 and $65 per head down to $30, and no sales on the range for steers at any price, is that the big packers of this country went down to their abattoirs and refrigerating plants in Brazil and the Argentine, shipped in shipload after shipload of the frozen beef free of duty last year. Also they had brought up from New Zealand and Australia, where they can produce beef and wool for about one-third the cost of production in this country, two and one-half million carcasses of frozen mutton and lamb. When you place a duty as is placed in this bill of 2 cents a pound on the importation of frozen meats, then you are bound to raise the price of mutton and beef of domestic production. If this frozen meat from these countries that can produce beef and mutton that, we will say for one-fourth or one-third of the cost of production in this country, is permitted to come in here free of duty, it takes no prophet or political seer to forecast what will be the ultimate end of the cattle business. It will eventually be destroyed. The banks all over the country have made heavy loans to the cattlemen when cattle prices were up, and they have stood nobly by them up to date. How long they can continue to finance them is problematical, and I can not and dare not state. The cattle industry is second to the farming industry. Are you going to permit it to perish? From what you say and especially the attitude of a great many on my side it would seem you are, whether you will it or not. If this should occur do you believe that the producer in South America and other foreign countries will sell his beef in this country at the price he is selling it to-day? I do not think any sound-thinking man other than a fanatic believes that.

Again I say human greed would control and that the producer in the foreign country would demand "all the traffic would bear." The price of mutton has dropped from 14 to 4 cents a pound, the price of lambs has dropped from 14 and 16 cents a pound to 5 and 8 cents a pound.

The mohair industry is becoming a great industry in this country. Mohair is useful for many purposes. This bill carries the same duty on mohair that it does on wool. Probably none of you Members have ever eaten a juicy goat chop. Some day if I can get the money to ship them up; if my banker will continue as he has done to renew my note and add in the interest, and a little freight money; my goats are practically worth nothing down there now, I am going to set up a sufficient number and give you a goat barbecue—and some of you will attest that I know how to barbecue meats—and when I do so some of you will testify that you never had a more juicy piece of meat in your life than a nice, fat goat chop or a side of goat ribs. Do you believe that the sheep industry and the goat industry can survive under present prices? I have here in my hand countless telegrams from responsible sheepmen all over the country showing that it costs from 30 to 50 cents per pound to produce wool and mohair; that it is now a drug upon the market, and when it sells it sells from 10 to 20 cents per pound. Tell me that this business can exist under these conditions? No. But you will drive out of business countless thousands that have made it the business of their life and know no other character of business. Tell me that the price of mutton to-day is a guaranty that the business of raising sheep can survive, when I hold in my hand an account sales which I want to read to you? Sheep were shipped from Donaldsonville, La., 103 head, to Fort Worth, Tex., a distance of something like 200 miles and that shipment netted 5.43 cents per head. It took 25 sheep to pay the war tax, and it took 50 of them to pay the feed for the sheep one time. They netted 5.43 cents, a fraction over 5 cents per head. I will insert for your information the exact copy of account sales:

Rhome-Farmer Live Stock Commission Co.: B. C. Rhome, jr., president and general manager; Tom Frazier, vice president; Walter N. Hanney, secretary-treasurer; Cattle salesmen: Jas. D. Farmer, Joe P. Farmer, J. W. Perryman, C. F. Plaxco. Hog and sheep salesmen: Tom Frazier, Jno. W. Joyce. Order buyer: W. A. Shirley.]

FORT WORTH STOCK YARDS, *December 24, 1920.*

Sold for account of Belle Terre (Inc.). Shipped from Donaldsonville, La. P. O., Same.

Purchaser.	Sheep.	Weight.	Price.	Amount.
Scott	102 [1] 2 [2] 1	5,940	$2.00	$118.80

Number of cars.	Weight.	Rate.	Amount.
1	12,000	$0.63	$75.60
War tax			2.27
Switching			.88
Feed, Addis, La.			3.00
Feed, Boyce, La.			2.50
Feed, Marshall, Tex.			3.00
War tax			.26

Railway charges	$7.51	
Stock Yards Co.:		
Yardage	8.15	
Bales hay	2.40	
Insurance	.30	
Inspection	98.37	
Commission	15.00	
Total charges		113.87
Net proceeds		5.43

[1] Cripples. [2] Dead.

You think that under sales of this kind this business can continue? Oh, you say that the sheepmen got rich during the war. No; the Government took about 66⅔ per cent of his profits for the carrying on of the war. I have a letter from Bassell Halbert, a reputable ranchman of Sutton County, showing that in 1919 he made $13,850 as income from his ranch. In 1920, since the decline in price of wool, cattle, and mohair, he has sustained a net loss on the same property of $1,379.64. How long can Mr. Halbert and other ranchmen of similar experience continue in the business at that rate?

Who are these people, my friends? Who are asking this relief? They are the men and women of dauntless courage and determined purpose. They are the frontiersmen who passed from your agricultural lands of Ohio, Illinois, and the Middle States in the old prairie schooner and joined forces out where the West begins, out where the handclasp is stronger, out where the smile dwells a little longer—out where the West begins. They are the men and women who have braved the hardships of a frontier life, who have met the clod and stubble of adversity, who have built up the great institutions of the West with their strong right hand and courageous heart, and their never-faltering and fertile minds. Many of them, as I said, know no other business except the live-stock business, and I am not pleading for the ranchman of my section alone, but I am pleading for the man who toils in the cotton and the grain fields as well. Who are they? They are the people who have met every demand of their Government in time of peace and who gave their offspring as patriotic Americans, if necessary, to die for their country in time of war. They ask no special privilege. They do ask equal and adequate justice at your hands, the same that is accorded to every other citizen of this country. Many of them are out there now with their faces turned toward Washington looking to Congress to grant them relief. It is not a condition, gentlemen, brought about by their own acts, but you urged them to continue and increase their flocks, and they did so, responding as true Americans and patriots should respond to the request of their Government.

No bolshevik sentiment, my friends, ever reached the breasts or found lodgment in the minds of these people. They believe in the flag of this country. They believe in the institutions of this country as founded by Washington and Jefferson, and they still believe in the doctrines of equal rights to all, that these great men taught.

As I said, many of them sent their sons to battle for equal rights of men and women throughout the world, and some of those sons did not return; and the aged father and mother were left to continue the battle of life alone. In the little huts and little ranch houses they have erected there they have got the sunshine of love for their Government in their brick and mortar, and they have built therein not a single sentiment adverse to the fundamental principles upon which our fathers founded this Government.

Sirs, they are the fathers and mothers of many of the boys who now sleep under the poppies in Flanders fields. If this relief, as is provided in this emergency tariff, is not given, this great industry must perish, and the men who only know that kind of business must go, and I will say that their like and

their kind will not be easy to replace in this or any other country on this earth. [Great applause.]

Mr. YOUNG. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 2435 had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BROOKS of Illinois, for one week, on account of important business.

To Mr. BURTON, for three days, on account of important business.

CELEBRATION OF THE FIRST CENTENNIAL OF THE PROCLAMATION OF THE INDEPENDENCE OF PERU (S. DOC. NO. 3).

The SPEAKER. The Chair lays before the House the following message from the President.

The Clerk read as follows:

To the Senate and House of Representatives:

I transmit herewith a report from the Secretary of State recommending the resubmission to the present Congress of the invitation from the Government of Peru for participation by the Government of the United States in the ceremonies incident to the celebration of the first centennial of the proclamation of the independence of Peru, which are to take place at Lima in July next.

The matter was presented to the Sixty-sixth Congress by my predecessor, whose message on the subject and the accompanying report of the then Secretary of State are contained in Senate Document No. 370, Sixty-sixth Congress, third session, a copy of which I attach hereto.

As pointed out by the present Secretary of State in his accompanying recommendation, the cordial relations which have always existed between the United States and Peru and the equality of treatment which we desire to accord to all the American Republics alike would seem to emphasize the importance of Congress making provision for a no less imposing participation by the United States in the Peruvian celebration than it had in similar celebrations of other Latin-American countries. I have, therefore, no hesitation in adding my own commendation of the matter to that of my predecessor, and in recommending to the Congress the passage of the joint resolution to be transmitted.

WARREN G. HARDING.

THE WHITE HOUSE,
April 14, 1921.

The SPEAKER. Referred to the Committee on Foreign Affairs.

SELECT COMMITTEE ON THE BUDGET.

The SPEAKER. The Chair appoints the following Select Committee on the Budget, as authorized by the House.

The Clerk read as follows:

Mr. GOOD, Mr. CAMPBELL of Kansas, Mr. MADDEN, Mr. HAWLEY, Mr. TEMPLE, Mr. TINKHAM, Mr. PURNELL, Mr. BYRNS of Tennessee, Mr. KITCHIN, Mr. GARNER, Mr. TAYLOR of Colorado, and Mr. BANKHEAD.

EXTENSION OF REMARKS.

Mr. OLDFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the minority views by Mr. KITCHIN. He has made one correction.

The SPEAKER. Is there objection to the request of the gentleman to extend his remarks for the purpose indicated?

Mr. McCLINTIC. Mr. Speaker, reserving the right to object, is not the minority and majority report at the present time a public document and subject to be franked out?

Mr. YOUNG. There is no objection on this side.

Mr. OLDFIELD. I do not know whether it is a public document or not; but a limited number would be printed——

Mr. LONGWORTH. I understand it is to be corrected?

Mr. OLDFIELD. There is a correction in reference to Mr. FORDNEY which Mr. KITCHIN desired to make.

Mr. BLANTON. Mr. Speaker, reserving the right to object, if the gentleman from North Carolina were here to make those remarks in person he would smile at the same time, which would take the sting out of some of them, and there would be no objection; but without the smile accompanying them there might be objection.

Mr. COLLIER. What is the matter with the smile of the gentleman from Arkansas [Mr. OLDFIELD]?

Mr. BLANTON. Since the gentleman has smiled, I do not object.

Mr. MONDELL. Mr. Speaker, in view of the fact that everybody will smile who reads them, I have no objection, and there is no objection on this side.

The SPEAKER. The Chair hears no objection.

ADJOURNMENT.

Mr. YOUNG. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p. m.) the House adjourned, to meet to-morrow, Friday, April 15, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

11. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Treasury Department to cover the purchase of file holders and cases for use of the Coast Guard, fiscal year 1921 (H. Doc. No. 8); to the Committee on Appropriations and ordered to be printed.

12. A letter from the Secretary of the Treasury, transmitting proposed paragraph of legislation submitted by the chairman of the Federal Power Commission to provide for printing and binding (H. Doc. No. 9); to the Committee on Appropriations and ordered to be printed.

13. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Library of Congress for distribution of card indexes, fiscal year 1921 (H. Doc. No. 10); to the Committee on Appropriations and ordered to be printed.

14. A letter from the Secretary of the Navy, transmitting draft of proposed bill to establish United States coinage and currency as the legal standard of values in the Virgin Islands; to the Committee on Coinage, Weights, and Measures.

15. A letter from the Secretary of the Navy, transmitting draft of proposed bill for the relief of Pay Director Livingston Hunt, United States Navy; to the Committee on Naval Affairs.

16. A letter from the Secretary of War, transmitting redraft of a bill to amend the penal code of the Canal Zone and the navigation rules of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

17. A letter from the president of the United States Civil Service Commission, transmitting report for the first four months of the fiscal year 1921, showing the average number of employees receiving increased compensation; to the Committee on Appropriations.

18. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary survey of Pass Palacios on Matagorda Peninsula, with a view to securing a channel 18 feet deep; to the Committee on Rivers and Harbors.

19. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Rockland Harbor, Me.; to the Committee on Rivers and Harbors.

20. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Navy Department for the fiscal year 1921 (H. Doc. No. 11); to the Committee on Appropriations.

21. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriations required by the Navy Department for the fiscal year 1922 (H. Doc. No. 12); to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SIEGEL, from the Committee on Immigration and Naturalization, to which was referred the joint resolution (H. J. Res. 34) admitting Emil S. Fischer to the rights and privileges of a citizen of the United States, reported the same without amendment, accompanied by a report (No. 3), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ANDREWS: A bill (H. R. 3146) for the purchase of a site and the erection of a public building at Superior, Nebr.; to the Committee on Public Buildings and Grounds.

water supply, authorized water meters on Federal service, vehicles, and for each and every purpose connected therewith, fiscal year 1921, $35,000, to be paid from the revenues of the water department.

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

Mr. McCLINTIC. Will the gentleman from Iowa yield for a question?

Mr. GOOD. I will.

Mr. McCLINTIC. I notice there is an item in there to pay one George W. Wickersham. Is that relative to the contest in the last Congress?

Mr. GOOD. Yes. The certification came too late to include it in the last deficiency bill, and the Senate felt that inasmuch as it was a House matter it could go over until this session.

Mr. McCLINTIC. Does the gentleman know whether or not the same person will bring another contest in this session?

Mr. GOOD. I really do not know about that.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. GOOD. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the bill be considered in the House as in the Committee of the Whole. Is there objection? [After a pause.] The Chair hears none.

Mr. GOOD. Mr. Speaker, the bill simply provides for the mileage of Senators, Representatives, and Delegates, and for stationery of Members, and then makes additional appropriations to carry out the provisions of existing law. The bill carries the pay for certain session clerks and pages. I think in the last Congress we had 44 pages, but 2 of them were transferred as telephone pages, and the additional pay is carried in the bill. The appropriation of $2,000 for the expenses incurred in the contested-election case of Wickersham against Sulzer that came up in the last Congress, but the certificate came too late after the House had passed the deficiency bill, and while the amount, as I recall, was considerably more than $2,000, we have placed here just the amount that is usually carried for such contests. One item of $35,000, with regard to the Washington Aqueduct, is for funds absolutely necessary to purchase coal and alum for the rest of the year. The price of coal increased from $6.85 last year to $9.30 this year, and the price of alum increased from $34.60 a ton in 1920 to $62.90 in 1921. This increase in the price of these materials has made it necessary to carry this appropriation. It is placed in this bill because the coal will be entirely exhausted by the 20th of this month, and all the funds will be used.

The SPEAKER. The Clerk will read the bill for amendment.

The Clerk read as follows:

For the amount required from March 4 to June 30, 1921, inclusive, to carry out House resolutions Nos. 487, 492, 508, and 514 of the Sixty-sixth Congress, $1,118.

Mr. GOOD. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Good: On page 2, after line 22, insert as a separate paragraph the following:

"For amount required for a special messenger, at $1,800 per annum, from April 11, 1921, to June 30, 1922, inclusive, in accordance with House resolution No. 7, of the Sixty-seventh Congress, $2,200; such special messenger to be in lieu of an assistant messenger in charge of telephones for the minority, at the rate of $1,500 per annum."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield for a question?

Mr. GOOD. Yes.

Mr. GARRETT of Tennessee. I did not get a copy of the bill, and there was some confusion when it was being read, and therefore I do not know just exactly what it contains. I want to ask the gentleman a question. As I caught the reading there is nothing in here to provide for the continuation of the work at Muscle Shoals, Ala.? [Laughter.]

Mr. GOOD. No; not yet. The amendment which was read, and in which the gentleman is interested, is one providing for a special messenger, a minority employee. [Laughter.]

Mr. GARRETT of Tennessee. That amendment has been adopted?

Mr. GOOD. Yes.

Mr. GARRETT of Tennessee. May I ask the gentleman if he would object to giving the House an indication of how he might feel touching an amendment to provide for the continuation of the work at Muscle Shoals?

Mr. GOOD. I do not believe I would feel kindly disposed to such an amendment this morning. At least, I could not vote for it.

Mr. GARRETT of Tennessee. I suppose, under those circumstances, Mr. Speaker, it would be useless to offer an amendment.

The Clerk resumed and concluded the reading of the bill.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

On motion of Mr. Good, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE TO A COMMITTEE TO SIT DURING RECESS.

Mr. GOOD. Mr. Speaker, I offer the following resolution.

The SPEAKER. The gentleman from Iowa offers a resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 51.

Resolved, That the Committee on Appropriations, or such subcommittees as it may designate, shall have leave to sit during the sessions of the House during the Sixty-seventh Congress and during the recess of that Congress.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EMERGENCY TARIFF.

Mr. YOUNG. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenues; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

The SPEAKER. The gentleman from North Dakota moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the emergency tariff bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the emergency tariff bill, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the emergency tariff bill. The Clerk will report the bill for amendment.

The Clerk read as follows:

EMERGENCY TARIFF.

That on and after the day following the passage of this act, for the period of six months, there shall be levied, collected, and paid upon the following articles, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila), the rates of duty which are prescribed by this section, namely:

Mr. GREEN of Iowa and Mr. OLDFIELD rose.

The CHAIRMAN. The gentleman from Iowa will be recognized.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, this is a bill the main purpose of which is to preserve the American market for the American farmer and to prevent the ruinous decline in the value of farm products which has been and still is going on.

At the time this bill was first discussed in the House careful statisticians had stated that the decline in the value of American farm products from the year 1920 to the year 1921, amounted to the staggering sum of $5,000,000,000. Between the time when the Senate had the bill up for consideration and the time it was next before the House after the Senate amendments had been passed a further decline had taken place in the amount of $1,000,000,000, making the total at least $6,000,000,000. Since that time there has been a further decline, which I have not seen estimated, but which I know to be at least half a billion dollars more.

This decline which has taken place in the value of agricultural products has been unprecedented elsewhere. No other line of production, no line of manufactures, with the exception of some comparatively unimportant items, has suffered to the same extent.

This bill in its essential features is an antidumping bill. The original farm emergency tariff act, upon which this bill is based, was in effect an antidumping bill. To this bill we have added an antidumping provision which applies to manufactured products as well as agricultural products, and any gentleman who is informed on the subject is aware of the fact that you can not apply the ordinary provisions of an antidumping bill which is based on the cost of the product to agricultural products, because there is no way of exactly determining the cost of agricultural products for that purpose when imported from a foreign country. Consequently this bill now embraces in its essential features an antidumping act, both for the benefit of the farmer and for the benefit of the manufacturer.

Some may ask how this comes to be an antidumping act with regard to the farmers. The fact is that during the World War enormous quantities of farm products accumulated in various countries and were not shipped abroad for want of transportation. There was an immense amount of wheat accumulated in Australia. Wool also accumulated. Other products accumulated in the same manner, and in the time that has intervened even between the last time this bill was before the House and now, they have continued to come in in enormous quantities to take away the American market from the American farmer.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? I want to ask the gentleman a question.

Mr. GREEN of Iowa. Yes. What is it?

Mr. BLANTON. The gentleman from Ohio [Mr. LONGWORTH] stated yesterday very distinctly that this was really an emergency measure and we could not expect it to be reenacted into general tariff law. I am sure the gentleman from Iowa does not agree with the gentleman from Ohio as to that, because if this bill is not reenacted into general law it will do the farmers no good, because the products will not, all of them, be out of the ground.

Mr. GREEN of Iowa. The gentleman asked permission to propound a question, not to make a speech.

Mr. BLANTON. What does the gentleman think about it?

Mr. GREEN of Iowa. I think these provisions ought not to be enacted into general law. If the gentleman, however, thinks that there should not be protection given to the farmer in the general law, he will find that the Republican Members of this Congress are ready to give the same measure of protection to the American farmer as to the American manufacturer. [Applause on the Republican side.]

As I was about to state, these enormous accumulations of farm products from abroad had been dumped upon the American market. Wool has come in upon the American market not merely by the millions of pounds, but by the hundreds of millions of pounds. Mutton has come into the American market from abroad not merely by the millions of pounds, but by hundreds of millions of pounds. So all along the line. These products have been dumped upon the market of the American farmer until he has lost control of it. He has the use of it to a certain extent, but it no longer belongs to him, as it ought to belong. The result is, as the gentleman from Texas [Mr. HUDSPETH] stated yesterday, that sheep have been sold upon the market, and the net returns have only been sufficient in some cases, as I understand him, to bring 5 cents a head, after all charges have been paid.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for five minutes further.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. GREEN of Iowa. All over the agricultural regions we see the same conditions, perhaps a little worse where the chief product is sheep or wool, where practically no market exists for either the sheep or the wool, and the woolgrowers hold to-day some 60,000,000 pounds stored in the Boston market and elsewhere, which they are unable to sell at a price anything like the cost of production.

Mr. HUDSPETH. There are 200,000,000 pounds of wool now in the hands of the producer who produced it.

Mr. GREEN of Iowa. The same condition exists as to cotton. I may say to gentlemen on both sides of the House that go where you will, you will see the same thing—cotton in the fields to-day that was raised last year and not picked and never will be for the want of a market. Out in western Nebraska corn burned for fuel, because it is cheaper than coal; potatoes in Maine left in the ground, not worth digging; lemons rotting under the trees because they were not even worth picking up and sending to market. I can not see where this condition has obtained in any manufactured products, whatever they may be.

Now, our friends upon the other side, in what they had to say yesterday, with their usual inconsistency, in one breath stated that the price to the consumer would be enormously increased, and in the next breath they asserted that the farmer would get no benefit whatever; that the prices to the farmer would not increase, but that the prices to the consumer would be enormously increased.

The American farmer can go into no trust. He can create no monopoly. He must take the prices that are offered to him. He has in his hands to-day all over America a surplus which he must dispose of at the best price he can obtain. There is no possible theory upon which he can get an unreasonable price for his product. He can get only what the American consumer, knowing that he has a surplus in his hands, is willing to pay. Monopolies and trusts may exist elsewhere, but with the American farmer they do not and can not exist.

Under these circumstances are gentlemen upon the other side willing to say to the American farmer that they do not propose to give him this fair and reasonable price, which is all that he can possibly obtain, that they are willing to say to him, "You can not have the American market, but the foreigner may dump his goods in any quantity upon it and take away even your home market"? If gentlemen are willing to take that responsibility, they can do so. Gentlemen who represent Southern States have seen their governors recently in a conference asking for the duties contained in this bill. They have received from their constituents petitions for the duties contained in this bill. They may deny to the American farmer this relief, but we upon the Republican side will give him this opportunity to preserve for him the American market, which of right belongs to him.

Mr. Chairman, this bill ought to pass as soon as possible. The delays which we have already experienced are costing the American farmer immense sums every moment that goes by. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. YOUNG. I ask that all debate on this paragraph and amendments thereto close in 20 minutes.

Mr. OLDFIELD. I have an amendment which I want reported, and there are several requests from gentlemen who want to speak.

Mr. WINGO. I do not yield for requests.

The CHAIRMAN. The gentleman from Arkansas has not been recognized.

Mr. WINGO. Oh, well, if a member of the committee [Mr. FORDNEY] is going to come up here and take 10 minutes by unanimous consent, and then cut off debate——

The CHAIRMAN. The chairman of the committee was on his feet and preferred the request.

Mr. YOUNG. I withdraw the request.

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. WINGO. I have no objection to the gentleman expediting his bill, but a member of his committee has just stood up here and by the indulgence of the House made a political speech for 10 minutes, and then as soon as a Democrat takes the floor he undertakes to put on the brakes. You have your majority, gentlemen, and you can pass your bill at any time you want to.

Mr. YOUNG. I hope my friend will not believe there was any disposition on my part to take him off the floor.

Mr. WINGO. Oh, certainly, I know it was just force of habit; that is all.

Mr. YOUNG. My request was that the debate on this paragraph close in 20 minutes.

Mr. WINGO. It was just force of habit. I do not want this taken out of my time, Mr. Chairman.

Mr. FORDNEY. As soon as the gentleman from Iowa concluded the Chair recognized a Democrat.

Mr. GREEN of Iowa. I will say to the gentleman from Arkansas that we will extend to him and his side all the courtesies that they ever extended to us, and then some.

Mr. WINGO. The trouble with the gentleman is that he could not appreciate the obvious answer if I made it to him, so I will not make it.

Now, Mr. Chairman, if I may be recognized for five minutes——

The CHAIRMAN. The gentleman has already been recognized.

Mr. WINGO. Gentlemen proceeded to interrupt me.

Mr. Chairman, the last speech that we have just heard is typical of an attitude of the Republican Party, which I regret

exceedingly, and I say that sincerely. I think no one can accuse me of being a blind partisan. During the recess I went up and down this land and made many speeches, and in every speech I appealed to Democrats to get in behind the President of the United States, saying to Democrats that he was our President; that in my candid judgment he was an honest, sincere man, deeply impressed with the responsibility of the position, and that we owed it to him to give him every opportunity to work out the very pressing problems that confront him and his party, and I stated to my constituents that I would not be guilty of any carping criticisms, and I am not going to be. I regret that the gentlemen on the Republican side have not recognized not only that the war is over but that the election is over. You have the offices. You have carried the country. You have the power. Why not quit talking politics and get to work and give us some constructive legislation?

I was deeply impressed yesterday with the remarks of the gentleman from Ohio [Mr. LONGWORTH], as I always am. You will see the day that you will regret that you did not follow his advice. Every man on this side who is at all familiar with business conditions in this country knows that the most pressing problem that confronts us is a complete revision of the domestic taxing system of this country, and you ought to have addressed yourselves to that with all the expedition possible, instead of bringing in this moonshine tariff bill. The genial, pleasing gentleman who last addressed us [Mr. GREEN of Iowa] made a political speech, and said: "You Democrats are going to deny the farmer this much-needed relief." Now, the gentleman is sincere in that. He knows, of course, a great deal about cotton, as was illustrated by his statement yesterday and heretofore! The truth of the business is that the gentleman really believes that the Mexican boll weevil is a first cousin to a humming bird. [Laughter.] He believes that, and I am not criticizing him. But the man who knows anything about cotton knows that this bill and the report which accompanies it are a huge joke. It is the same old shibboleth of going to protect the American farmer and American labor, and I have heard some Democrats talk about the same thing. My genial, energetic, sometimes meticulous, but always interesting, friend from Texas [Mr. BLANTON] says that the poor cotton farmer has got to sell in an open, free, and unprotected market and buy everything he buys in a protected market. I will ask any statesman on either side to tell me how the American Congress by any act it can pass can ever guarantee to the cotton farmer a protected market, when he has got to sell 35 out of every 100 bales he raises in some other market than the American market? Men who make that kind of statement illustrate either their lack of information on the subject or else their reckless disregard of obvious economic facts. But, gentlemen, what is the matter with the American agriculture? You may be right; I hope that this bill will relieve the farmer, but the great economic basic branches of the American agriculture—the wool grower, the wheat grower, and the cotton grower—what is the matter with them? It is not the tariff. Is that going to cure the evil?

Mr. FORDNEY. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. FORDNEY. Is it not true that there is not a pound of long-staple cotton raised in this country which is exported; that all the exports is short-staple cotton, which is not provided for in this bill?

Mr. WINGO. The gentleman believes that statement?

Mr. FORDNEY. Is it not true?

Mr. WINGO. No, sir; it is not true. The gentleman by asking the question shows how little he knows about cotton. We raise long-staple cotton in my own county. You have not got anything in the report that shows the exports of cotton of this class, because you confess that you do not know anything about it. I can tell you where the Hope cotton is grown, and I can tell you who bought it and where it went to.

Mr. FORDNEY. I would like to ask the gentleman another question. Do you export long-staple cotton or import it?

Mr. WINGO. We do both.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WINGO. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FORDNEY. The gentleman does not know, and he had better go up North——

Mr. WINGO. That is the trouble. The gentleman goes North for his information on cotton. He ought to come down South, where we raise it. [Applause.] Why, gentlemen, I know something about long-staple cotton. I can tell you something about the shipment of Hope cotton. The gentleman probably has never heard of Hope cotton, but in passing I may say that it gets its name from the town of Hope. Much of that cotton is grown in my district and the best part of it in my county. I know where it is grown, and I know who has bought some of the crop before it is grown. The gentleman had better get the statistics of what has been done with the long-staple cotton crop in Arizona, in Texas, Louisiana, and in southwestern Arkansas before he undertakes to bring in a tariff bill for it.

But, gentlemen, I want to talk about something else—something more serious than this political buncombe about a tariff on cotton. A tariff on cotton when 65 out of every 100 bales has got to be sold elsewhere! What is the trouble with the cotton grower? It is the same as with the wheat farmer and the wool grower—my heart goes out to all of them. What is the matter? For five years 50,000,000 men destroyed commodities and destroyed each other. Ten million of these men, who were consumers of cotton, surplus wheat, and the manufactures, and the surplus wool, were left dead on the field of battle. Six million of wounded and maimed men have their productive capacity destroyed. One trouble with wheat, cotton, and wool, and other surplus commodities in this country is that there is an underconsumption the world over.

But, gentlemen, you talk about paternalism, and yet for political purposes you go up and down the land trying to make the people believe that the prosperity of the cotton farmer, the wheat grower, and the New England manufacturer can be relieved overnight by a tariff resolution of Congress. I thank God I do not live under any such system of government, because if by a simple resolution of Congress we can bring prosperity to the wheat grower, to the wool grower, to the cotton grower overnight by the same token we can destroy them, and we would have the most vicious kind of government on earth, except that of Lenin and Trotsky.

Oh, gentlemen, you may be able to do as one gentleman did, make an argument in favor of the War Finance Corporation, and then in the next breath say that you ought to cut off imports.

There are just two ways by which you can settle a debt. One is with gold and the other is with commodities. Has Europe got the gold? She has not. We have more gold here than is good for us, and I pray that God may hasten the day when the normal flow of gold will be resumed throughout the earth. That will aid the solution of our economic and financial situation more than anything else. They have not got the gold, and how are they going to pay you? Here is a question of barter and trade, whether you like it or not. You are up against the fact that the reverse of what was formerly true now is the fact. Instead of being a debtor Nation, we are a creditor Nation. Are you going to maintain a merchant marine and say that you will permit those ships to bring nothing back from Europe? Are you going to run them empty one way? If so, it will take more subsidy than the Republican Party ever dreamed of to maintain a merchant marine under that condition.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. YOUNG. Mr. Chairman, I desire to prefer a request that debate upon this paragraph and all amendments thereto be closed. How much time is required on the other side?

Mr. GARRETT of Tennessee. Mr. Chairman, the gentleman from Arkansas [Mr. OLDFIELD] has an amendment which he desires to offer, and I suggest that he be recognized so that we may know what that amendment is.

Mr. LAZARO. Mr. Chairman, I desire five minutes.

Mr. YOUNG. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 18 minutes.

The CHAIRMAN (Mr. BEGG). Is there objection?

Mr. HUMPHREYS. Mr. Chairman, reserving the right to object, I do not know what the amendment of the gentleman from Arkansas is, and I could not now tell whether I want to talk on it or not.

Mr. OLDFIELD. Mr. Chairman, the amendment has not yet been reported.

Mr. YOUNG. Mr. Chairman, I suggest that it be reported at this time.

The CHAIRMAN. Without objection, the amendment will be reported.

There was no objection.

The Clerk read as follows:

Mr. OLDFIELD moves to strike out, on page 1, line 6, the words "for the period of six months."

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota that debate on this paragraph and all amendments thereto close in 18 minutes?

There was no objection.

Mr. OLDFIELD. Mr. Chairman, if this bill is a good thing, it ought to be made permanent and not be limited in its operation to six months. My friend the gentleman from Iowa [Mr. GREEN] stated yesterday, as did the gentleman from Ohio [Mr. LONGWORTH], that they expected the general tariff bill to be enacted in short order. No Member of this House knows, no human being knows, how long it will take Congress to pass a general tariff law, and under this provision in this bill most of the farm products, all of the farm products, I believe, of the South, will not be harvested within 6 months from now or within 6 months from 10 days or 2 weeks from now. In other words, cotton will not be harvested until October and November and December next. The same is true of peanuts. Therefore, if you want to be fair, if you believe in your bill, it seems to me that you should accept this amendment, and then when you pass your general tariff law you can place in it such limitations as you desire. Of course, we take the position—and in that we believe we are right—that this bill can not, if it becomes a law, as it will, help the American farmer, because the trouble is not with the matter of imports. The imports of wheat, in fact of everything that is coming into this country to-day, are decreasing. It is, therefore, not the matter of imports that is hurting the market. The trouble is that our exports are also decreasing, leaving us a surplus on our hands. What we need is markets. Imports of wheat are decreasing. We imported only 35,000,000 bushels last year and we exported 218,000,000 bushels. During the month of February we imported only 4,000,000 bushels and our exports fell off 20,000,000 bushels.

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

Mr. OLDFIELD. Yes.

Mr. LONGWORTH. I do not know that I correctly understand just the trend of the gentleman's remarks. May I ask the gentleman if he is going to vote for his amendment?

Mr. OLDFIELD. No; I am not going to vote for the amendment, because I do not want this bill passed either permanently or for only six months, but if you gentlemen are honest in this proposition, if you believe what you say about this proposition, if you honestly believe that this is a good proposition, then I can not understand why you want to have its operation limited to six months. That is the greatest piece of buncombe in the whole thing.

Mr. LITTLE. If the gentleman thinks that this is not a good thing for six months, then why under Heaven's name does he want it to continue longer?

Mr. LONGWORTH. Oh, he is not going to vote for his amendment.

Mr. OLDFIELD. You gentlemen have the responsibility. You say that you are going to enact this bill into law because it is a good thing. If it is, why do you not make it permanent? As far as I am concerned, we realize that all we can do is to protest, but we do protest. We say that you ought to be fair and honest with the American farmer. The fact of the business is that you ought to be fair enough and honest enough to tell the American farmer that this thing is pure "bunk" and that you do not expect it to help the American farmer at all.

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

Mr. OLDFIELD. Yes.

Mr. KINCHELOE. May I ask the gentleman if it is not a fact that two-thirds of the crop grown last year is already out of the hands of the farmer and this law will expire under the six months' proposition before the next crop?

Mr. OLDFIELD. Why, certainly; the gentleman knows that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LAZARO. Mr. Chairman and gentlemen of the committee, a good deal has been said about the cotton farmer not having any protection by this bill. It is true that short-staple cotton is not protected by this bill, but cotton seed is protected. I want to read an extract from a brief submitted to the Committee on Ways and Means some time back by the Cotton Seed Crushers' Association of the Southern States, an organization which includes all the Southern States.

If ever an industry vitally needed protection for its bare existence, it is the cottonseed-oil industry in its present extremity. Upon the issue of whether these oils and oil products are to be placed upon the dutiable list depends the continued existence of the business of the cottonseed crushers. With us it is a case of "to be or not to be." We say with a sincere belief in the literal verity of the statement that the cottonseed-oil industry is doomed if cottonseed oil must be sold in a market fixed by prices prevailing on coconut, soya bean, and similar oils. The passing of this business would withdraw an enormous available food supply. It would ruinously affect the producer of cotton seed. It would adversely touch the American producers of any kind of vegetable oils. It would handicap the great dairying interests. It would affect adversely the labor which now goes into the production of the seed and of the oil. If cotton seeds are to be acquired by the crude-oil mills for crushing, the farmer must be paid the equivalent of the fertilizer value of the seed plus a reasonable amount to induce him to put the seed on the market. The truth of this statement is established by the present situation. Cottonseed crushers to-day are paying to the farmer a price for seed which renders the production of crude oil unprofitable, and yet the farmer regards a sale at such price as unprofitable to him, as in fact it is. In other words, the farmer is actually receiving for his seed less than his production cost. The consequence is that at least 1,000,000 tons of seed which would otherwise be available for crushing purposes is now being put into the ground for fertilizer purposes. It is manifest that this means an enormous economic loss to the country, there being no fertilizer value in the oil and in the lint. The oil and lint value of the 1919 crop amounted to in excess of $290,000,000.

Mr. STEVENSON. Will the gentleman yield?

Mr. LAZARO. Not now.

Mr. STEVENSON. I just want to ask a question.

Mr. LAZARO. Not now; my time is limited. I want to read a resolution which was passed by the National Board of Farm Organizations, which is a council of representatives of the farm unions of the country.

We urge the immediate investigation by Congress of the unusually large importations of oriental vegetable oils, and ask that an embargo be laid on the further importation of such oils until such time as that remedial legislation may be enacted in the form of a duty or tariff tax.

We urge this action in order that the dairying interests, the live-stock interests, and the vegetable oil interests of the United States may be protected against the cheap labor and low standard of living of the oriental countries.

Mr. STEVENSON. I want to ask the gentleman if it is not a fact that the seed crops of 1920 are either already in the hands of the crushers or in the ground as fertilizer practically all over the cotton belt to-day?

Mr. LAZARO. I will say to the gentleman that I have not been home in quite a while, but I know on my farm that right now I have seed I can not sell to anybody at any price.

Mr. STEVENSON. And the gentleman proposes to use that as fertilizer?

Mr. LAZARO. Well, it is a waste to do so.

Mr. STEVENSON. As a matter of fact, the seed which is now in existence is practically all in the hands of the crushers, is it not?

Mr. LAZARO. Oh, well, of course a great deal of it is.

Mr. STEVENSON. Let us have another question. This bill goes into effect for six months, and the seed for the next crop will not be protected in so far as the oil is concerned one particle, will it?

Mr. LAZARO. I will say I want to protect those who have seed left right now. I wanted to do so before when the bill was voted upon. I take it that the permanent bill will protect these same oils from the competition of foreign oils.

Mr. BLANTON. Will the gentleman yield?

Mr. LAZARO. I will.

Mr. BLANTON. The gentleman intimated this bill would not benefit short staple cotton. I want to remind him of the fact that this million bales of long staple cotton that comes into our market every year does indirectly affect the market of short staple cotton.

Mr. LAZARO. I was talking of the direct duty. We are starting in my district in Cameron Parish now to plant long staple cotton; that is, we can not just at the moment on account of the pink bollworm, but we will after the worm is exterminated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYDEN. Mr. Chairman, it was understood that I was to be allowed three minutes to secure some information. It will be observed that under Title I of the bill the tariff duties imposed apply to certain articles imported into the United States and any of its possessions, except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila. Title II, beginning on page 6, makes the antidumping legislation likewise applicable to the United States and to any Territory or place subject to the jurisdiction thereof, except the possessions that I have named, but in addition thereto the Panama Canal Zone is specifically mentioned. I want to find out from the gentleman in charge of the bill why the Panama Canal Zone is mentioned in the antidumping legislation and ignored in the title referring to tariff legislaton. Is not the Panama Canal Zone a possession of the United States? In his judgment, will the tariff duties provided for in this bill apply to the zone? Certainly these conflicting provisions raise some doubt as to whether or not the Canal Zone is a possession of the United States.

Mr. YOUNG. Mr. Chairman, I will say to the gentleman the first paragraph contains the ordinary form used in all tariff bills in the past, including the Underwood law. We have simply followed the rule.

Mr. HAYDEN. I want to know whether goods imported into the Canal Zone will pay the duties imposed by this bill when

it becomes a law. If such is the case, I think that a very serious mistake is being made.

Mr. YOUNG. This provision only applies to the tariff law, Title I of the bill.

Mr. HAYDEN. I am well aware of that.

Mr. YOUNG. And we are satisfied if this bill can be passed to-day speedily in such a way as to apply to those portions covered by the American flag that are mentioned under this paragraph.

Mr. HAYDEN. But will the gentleman from North Dakota please answer my question. Will the tariff duties provided in this bill, when enacted, apply to the Panama Canal Zone?

Mr. YOUNG. It may or it may not. The courts can say. We do not think it is particularly important it should. It only applies to Title I of this bill.

Mr. HAYDEN. There is but one fact which I would like to ascertain. As the author of the bill, does the gentleman know whether or not the tariff rates proposed by Title I will apply to the Panama Canal Zone?

Mr. YOUNG. It is for the Supreme Court to say that. But so far as the practical operation of this bill is concerned, it is unimportant whether it does or not. It should be remembered, too, that this is an emergency bill, and we are trying to get the House to pass it without change.

Mr. HAYDEN. There are 60,000 people on the Canal Zone who will be greatly burdened if they are compelled to pay more for all of the articles mentioned in Title I. Heretofore no duty of any kind has been imposed on merchandise shipped to the Canal Zone from any part of the world. Cristobal and Balboa are free ports, and the employees of the Panama Canal have enjoyed the privilege of purchasing in an absolutely free market. The legislation providing for free trade on the Canal Zone was passed by a Republican Congress in order to keep down the cost of living of the American citizens who went to Panama to dig and operate the Panama Canal, and I want to know whether the enactment of this bill will change that situation.

Mr. LITTLE. If you will look at that paragraph closely, you will see that it only applies to Title II and not to the first title.

Mr. HAYDEN. I have always understood that none of the tariff laws of the United States applied to the Panama Canal Zone. But will that be true if this bill is passed?

Mr. LITTLE. The antidumping clause, as to the Panama Canal, applies only to Title II and not to Title I at all.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. HAYDEN. Mr. Chairman, I offer an amendment.

Mr. WALSH. I move to strike out the last four words, in order to ask the gentleman in charge of the bill a question.

Is the Ways and Means Committee considering the question of continuing these schedules in this bill in the permanent revision which the committee is now at work upon?

Mr. YOUNG. The committees are now at work very industriously looking up all possible information with the idea of making the rates in the permanent bill as near correct as they can be made, humanly speaking, and those rates may not be as they are in this bill. This is an emergency bill, as the gentleman understands.

Mr. WALSH. Well, my question was, Is the Ways and Means Committee considering carrying these schedules in this bill on these articles in the permanent revision of the law?

Mr. LONGWORTH. Perhaps I can answer the gentleman by saying that this bill is not under consideration in any respect in our deliberations on the permanent tariff bill.

Mr. WALSH. Then I would like to further ask the gentleman from North Dakota what information he has upon which the committee has fixed the termination of the emergency at a date six months after the passage of this bill?

Mr. YOUNG. Well, that would make it about the same as if the law had been passed which was introduced at last session, at which time the limit was 10 months. We thought about 4 months had passed, and therefore we cut 4 months out of the 10. And I will say also that we thought we could pass the permanent tariff law before the expiration of six months.

Mr. WALSH. But the permanent tariff law does not take care of the articles in this bill?

Mr. YOUNG. It may or it may not. That can not be determined until the committee completes its labors.

Mr. WALSH. Are they holding any hearings on the matter of a tariff on lemons, corn, or potatoes?

Mr. YOUNG. The committee has already had hearings covering those items.

Mr. WALSH. For the purpose of this bill only?

Mr. YOUNG. No; for the purpose of the permanent bill.

Mr. WALSH. So there are schedules that are required to be continued in the permanent revision?

Mr. YOUNG. Not necessarily.

Mr. WALSH. What is the idea of having the hearings?

Mr. YOUNG. Well, the entire information on these different items did not come out at the hearings. The committee has other sources of information, outside of the hearings, and all the information coming to the committee up to the time they fix these schedules should be utilized.

Mr. LONGWORTH. And might I also add for the information of the gentleman——

Mr. WALSH. If it is an answer, I will yield to the gentleman from Ohio.

Mr. LONGWORTH. A very large number of these provisions were put in on the floor of the Senate, and have received no consideration by the Ways and Means Committee whatever. They only received consideration in the conference committee, where we eliminated a very large number of the Senate amendments and reduced the duties on others.

Mr. WALSH. I would like to ask a further question. With reference to the antidumping provision, is this in the identical form in which that bill passed the House?

Mr. YOUNG. No; it is very much different.

Mr. WALSH. Did you have hearings on that before you made the changes?

Mr. YOUNG. Yes; the committee had a number of hearings.

The CHAIRMAN (Mr. CAMPBELL of Kansas). The question is on the amendment offered by the gentleman from Arkansas [Mr. OLDFIELD].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. HAYDEN. Mr. Chairman, I have an amendment pending.

The CHAIRMAN. The gentleman from Arizona offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HAYDEN: Page 1, line 10, after the word "Islands" where it first occurs, insert the words "the Panama Canal Zone."

Mr. LONGWORTH. Mr. Chairman, I make the point of order the amendment is not germane. That is adding a new substantitive proposition of legislation.

The CHAIRMAN. Does the gentleman from Arizona [Mr. HAYDEN] desire to be heard on the point of order?

Mr. HAYDEN. Mr. Chairman, Title I of this bill provides for levying certain tariff duties on goods entering the United States and any of its possessions, but exceptions are made in the case of the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila. I have offered this amendment to make Title I conform to Title II of the bill, by adding the Panama Canal Zone. My amendment merely names another possession of the United States wherein the import duties levied by this bill shall not apply.

Mr. MANN. Will the gentleman yield for a question?

Mr. HAYDEN. With pleasure.

Mr. MANN. The present tariff laws do not apply to the Panama Canal Zone the way they apply to the continental United States.

Mr. HAYDEN. The gentleman from Illinois is correct, as usual.

Mr. MANN. And this is the exact language of the Underwood tariff law and now in the bill.

Mr. HAYDEN. What disturbed me was that the antidumping provisions in this bill specifically exempt the Panama Canal Zone, yet nothing is said about the Zone in the tariff title. Both titles have to do with rates of duty on imports which are to be imposed when this bill becomes a law. I would not have suggested this amendment to Title I if the Committee on Ways and Means had not mentioned the Canal Zone in Title II.

Mr. MANN. That will be reached when it is reached. This is now reached and before the House. The gentleman now proposes to insert language here which is not in the Underwood law and which was not put into the Payne-Aldrich law and has never been put in any tariff law passed by the United States Congress, and intimating thereby that the present tariff law ought to apply to the Canal Zone.

Mr. HAYDEN. As I have said, my curiosity was aroused by the fact that in Title II of this bill the Panama Canal Zone is exempted. If it is necessary to except the Canal Zone there is it not also necessary to make the same exception here?

Mr. MANN. I think the curiosity of the gentleman was natural, but it is not necessary to insert it here. That is perfectly plain, and inserting it here would be an intimation that Congress thought the present tariff law applied to the Canal Zone.

Mr. HAYDEN. I am frank to say that the gentleman from Illinois has given me the information that I could not secure from the gentleman in charge of the bill. If that gentleman had given me the same facts, I would not have offered my amendment. [Laughter.]

Mr. MANN. Withdraw it, then.

The CHAIRMAN. Does the gentleman withdraw his amendment?

Mr. HAYDEN. With the assurance given by the gentleman from Illinois, that the Panama Canal Zone will not be affected by this legislation, I shall be glad to withdraw it.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. OLDFIELD. Mr. Chairman, I offer an amendment, but I believe it is not in order until the first line on the next page is read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Wheat, 35 cents per bushel.

Mr. OLDFIELD. Now, Mr. Chairman, I offer my amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLDFIELD: Page 2, line 1, strike out "35" and insert "25."

Mr. OLDFIELD. Mr. Chairman, 35 cents a bushel on wheat is prohibitory. Mr. McCoy, of the Treasury Department, assures me that this rate is prohibitory, and I know of no better authority in this country than Mr. McCoy. Twenty-five cents a bushel is the rate carried in the Payne-Aldrich Act. I do not believe the majority of this House ought to place a prohibitory tariff on any product, and especially upon a product where it can not possibly be of any benefit.

As I said a moment ago, the trouble now is not tariff, or lack of tariff, but the trouble is markets. A great deal more wheat is being exported than imported. It has always been so, and no doubt for many years it will continue to be so. Therefore I want to appeal to the Republican side of the House that they do not place a prohibitory tariff on wheat or any other product in this bill.

I believe that is all I have to say on the proposition.

Mr. LUCE. Mr. Chairman, a study of the debate of yesterday led me to think that the gentleman from North Dakota [Mr. YOUNG], in charge of the bill, had come more nearly confronting my own perplexities than anyone else, and I rise to ask him if he will elucidate further his statement that it is highly improbable that the passage of this law will make bread dearer? If it is the fact that this law is not going to increase the cost of living in this country, I might waive some of my previous objections. Will the gentleman kindly explain to the House how he proposes to have his cake and eat it?

Mr. YOUNG. The answer is very simple, and that is that the prices of these commodities have not come down at retail, have not been deflated, and therefore they are not likely to go up at retail.

Mr. LUCE. Does the gentleman mean to say that the price of bread has not dropped anywhere in this country in the last few months?

Mr. YOUNG. I do not think the gentleman quotes me correctly. I never said that. I say that in most cities the price of bread is something near the same price it was. There has not been any deflation, to speak of, in bread prices.

Mr. LUCE. Well, if the farmer is to get more money, where is it to come from? [Applause on the Democratic side.]

Mr. YOUNG. The price of bread in most of the cities now presumably was fixed at the time when wheat was selling for twice what it is selling for now. I presume that the bakers in most of the cities are not going to raise the price of bread if the price of wheat goes up only part way toward the level it formerly had.

Mr. LUCE. But, Mr. Chairman, if the price of wheat is going up by one-quarter, who is to pay it?

Mr. YOUNG. The price of wheat has gone down about 50 per cent and bread remains at close to the same level of price as when wheat was high.

Mr. LUCE. Mr. Chairman, I am very anxious for information. May I ask the gentleman once more who pays the freight? [Applause on the Democratic side.]

Mr. YOUNG. I will say this: That if the gentleman and his friends in the great city of Boston are not willing to pay some of the freight in the United States they are not good citizens. I will say to the gentleman if he wants his neighbors, his manufacturing friends to have duties and protection on their manufactured articles and is unwilling to grant them to others in other industries I do not believe he is a good Republican. [Applause on the Republican side.]

Mr. LUCE. Mr. Chairman, I wish the gentleman would answer my question. Who pays?

Mr. YOUNG. Who pays what?

Mr. LUCE. The farmer, as the result of this bill?

Mr. YOUNG. The man who buys his stuff in the first instance. It is not a direct sale to the consumers. It is a problem of distribution. I imagine that some of the troubles of my friend are caused by profiteering, as you may call it, on the part of those who are distributing this food. I will say that I think that the chief offender now, at least in the large cities, is the retailer. He has refused to bring down his prices, no matter what he has to pay to replace his stocks.

And farmers must pay these unjust prices in spite of the fact that their products have been reduced in price far below the actual cost of production. I have just received a telegram from H. E. Fuller, secretary Farm Bureau Federation of North Dakota, in which he says:

President U. L. Burdick, of the State Farm Bureau Federation, has compiled carefully the records as to the cost of production from 619 North Dakota farms for the year 1920, and from those records average costs of production were found to be:

	Cost production.	Farm price Apr. 13.
Wheat.....per bushel..	$2.41	$1.21
Oats.....do....	.85	.29
Barley.....do....	1.08	.40
Rye.....do....	1.87	1.04
Flax.....do....	3.75	1.15

Mr. LUCE. Then we get a square, definite issue.

Mr. LITTLE. Will the gentleman yield?

Mr. LUCE. I believe the floor is mine.

The CHAIRMAN. The gentleman from Massachusetts has the floor.

Mr. LITTLE. Will the gentleman yield to me to throw in a question which may help to bring out what he has to say?

Mr. LUCE. I will.

Mr. LITTLE. Is it not a fact that the price of wheat has gone down, as you remarked, 50 cents a bushel, while the price of bread stays where it was?

Mr. YOUNG. Much more than that—50 per cent.

Mr. LITTLE. Is it not a fact that the price of wheat has gone down and the price of bread has not, and that the gentleman from North Dakota wants to get a better and fairer relative price between the two?

Mr. LUCE. Now, may I ask the gentleman from North Dakota another question?

Mr. MANN. It is idle to say that the price of bread has not been reduced, because it has been.

Mr. LITTLE. It has not been reduced proportionately.

Mr. MANN. The gentleman said it had not been reduced at all.

Mr. LITTLE. Of course, I meant proportionately.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I move to strike out the last word. The gentleman from Massachusetts [Mr. LUCE] greatly surprises me when he gets up on the floor here and uses a Democratic argument that has been worn threadbare. [Applause and laughter.] I want to ask the gentleman this question: Does the gentleman believe in protection; and if so, why does he use this Democratic argument? [Laughter.] If the gentleman does not believe in protection, he belongs on the other side of the House.

Mr. BLANTON. Mr. Chairman, a point of order.

Mr. FORDNEY. The gentleman from Massachusetts [Mr. LUCE] sits on the Republican side of the House, but he does not belong there when he makes the speech that he has just made, because he is using a free-trade argument.

Mr. BLANTON. I rise to a point of order.

Mr. FORDNEY. The gentleman from Texas is a noisy fellow, and I will yield to get him quiet.

Mr. BLANTON. I make the point of order that Republican chastisement of Republican Members should take place off the floor of the House. [Laughter.]

Mr. FORDNEY. No; here is the place to settle it. The gentleman from Texas [Mr. BLANTON] is going to vote with the Republicans on this bill; and let us settle this question right here.

Mr. BLANTON. No; the Republicans are going to vote with me. [Laughter.]

Mr. LUCE. Will the gentleman yield?

Mr. FORDNEY. I yield for a question.

Mr. LUCE. I presume I should answer the gentleman's question. I do believe in protection and I do hope to vote for the tariff bill that the gentleman will present. My question to

the gentleman from North Dakota was preliminary to another question which I hope to present at some early opportunity, and that will explain my purpose in asking the question, which is not what the gentleman from Michigan apprehends.

Mr. FORDNEY. Let me say to the gentleman that we placed in this bill a duty of 35 cents a bushel on wheat. The Payne bill carried a duty of 25 cents per bushel. When the Payne bill was passed wheat was selling in the Northwest for 70 cents a bushel, and 25 cents a bushel was 35 per cent protection on the price that wheat was selling for at that time, while 35 cents a bushel now is but 17½ per cent ad valorem duty. [Applause.]

Mr. BUTLER. Did it increase the price of bread when the duty was fixed at 25 cents in the Payne law?

Mr. FORDNEY. It increases the price of bread when we let the foreigner control our markets, because then we have to pay the bill; but if you will take the records of the Department of Commerce of last year you will find that we imported 37,000,000 bushels of wheat at $2.02 a bushel and exported 191,000,000 bushels at $2.68 a bushel. You can see why our friends to the left here want Canadian wheat to come in, so that the mills of the Northwest can run upon Canadian wheat instead of upon American wheat. Did you pay any less for your bread this last year because it was made of imported wheat?

Mr. BUTLER. That is the point I want to bring out.

Mr. FORDNEY. No. Was the price of bread at Duluth and Minneapolis any lower than it was in Indianapolis or in Little Rock, Ark.? No. But while you pay the price of bread made from American flour, the Minnesota millers paid the foreign price for Canadian wheat and took the difference out of the bread eaters of this country. [Applause.] It did not lower the price of bread a penny, although the Minnesota millers purchased wheat at 66 cents a bushel less than our farmers sold wheat for abroad. How much difference does that mean on a barrel of flour? Four bushels and 40 pounds of wheat make a barrel of flour of 196 pounds. There are 4 pounds of offal, bran, and middlings. Fifty cents a bushel on 4 bushels and 40 pounds is more than $2 per barrel to those profiteers at Duluth and Minneapolis, who grind Canadian wheat into flour and sell it to our consumers and make them pay the price that they would pay if it were made of American wheat purchased at a higher price; and then, not satisfied with that, they are here by their lobbyists now asking us when we put the duty upon wheat to permit them to market in this country their bran and middlings without paying any duty on the bran and middlings.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. I ask for two minutes more.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. FORDNEY. Gentlemen, 35 cents a bushel on wheat now is not as much protection to the wheat growers of this country as 25 cents a bushel was under the Payne law, and we know that was not too high. All that is wanted right now by our friends on the Democratic side who did not agree with us as to protection is that the bars shall be thrown down and our markets flooded with the products of the cheapest labor of every country on the earth, the result of which will be to depress American products. Do you believe that we can lift up to our standard of life and living and wages the labor of Europe and the Orient? No! Do you believe that it is proper to bring down American labor to the standard of life and living of Japan and China? No. Are we ready for that? No; we will save you from destruction; we will protect you in spite of your opposition. We will protect every industry of the South the same as of the North. We will cause the rice fields in Louisiana and Texas and Arkansas to bloom and your rice farmers to prosper by giving you protection against oriental rice. We will protect your cane fields of Louisiana whether the gentlemen join with us or not. We will cause your sugar industry down there to prosper instead of being forced out of business, as 42 per cent of it was under the Underwood tariff law. They are slowly coming back under the protection which they received by the high prices during the war, but to-day they have got to go out of business unless the Republicans protect them. [Applause.]

Mr. CONNALLY of Texas. Mr. Chairman, and gentlemen of the committee, when the Fordney emergency tariff bill was presented in December, most of the Democrats then perceived that it was merely a strategic feint, and that behind its plausible promises there lay a well-prepared Republican drive, which would be launched at an opportune moment, for high prohibitive rates on manufactured articles which all of the people must buy. Our fears have been realized. The Young bill now before us reveals that purpose. It is proven by the fact that the gentleman from Massachusetts [Mr. TREADWAY] and perhaps the gentleman from Massachusetts [Mr. LUCE], when thoroughly informed that the real purpose of the present bill is to prohibit the importation absolutely from certain countries of foreign products which might compete with New England factories, and that the pretentions about aiding the farmer were merely a farce, have responded to their master's voice and will return to their master's stalls. [Laughter.]

Mr. LUCE. Mr. Chairman——

Mr. CONNALLY of Texas. I can not yield now.

Mr. LUCE. I merely wanted to ask the gentleman where my stall is located. [Laughter.]

Mr. CONNALLY of Texas. We shall find out when the vote comes where the gentleman's stall is located. [Laughter.] Now, gentlemen, by the clause in this bill which relates to depreciated currency this measure will levy a tariff duty of 400 per cent on goods from Germany and Austria over that which now exists, and a heavy increased duty on goods from Italy.

Gentlemen, what is the country suffering from to-day? It is the stagnation of business. You hear no complaint that there is too much business, too many sales. The trouble is that there is not enough business. The great section from which I come, the South, is to-day in the throes of commercial disaster and distress. The farmer has on his hands the products of his fields that he can not sell. He has no money to purchase the goods that he desires to purchase. He can not pay the merchant, the merchant can not pay the banker, and so through an endless chain every industry is paralyzed. What is the trouble? Does its remedy lie in a tariff? No. While products are stagnating in our hands, Germany and Austria and Italy, among our best customers for cotton prior to the war, need cotton to-day as they have never needed it before in all history. They can not buy because they have not the gold. They can only buy our cotton by exchanging their goods. The Republican Party proposes to put a tariff wall of 400 per cent between us and the products of Germany, Austria, and Italy, which absolutely condemns the southern farmer to misery and want. We ask for a better market; they answer by taking away even the poor market we now have. All we ask is, gentlemen of the Republican side of this aisle, to give us a chance to sell our products where we have sold them in the times of peace. [Applause.] How are they to pay us for our products if they do not pay in goods? They have no other method.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. CONNALLY of Texas. Not just yet. They have no other method. A gentleman on the floor said that there were 5,000,000,000 pounds of wool in Boston that could not be sold. I suggest that the trouble with selling the wool is that it is in Boston, where there is neither a present demand nor a present want for the article. But I will tell the woolgrower that if he will take a portion of that wool and send it to Germany, where there are factories that are idle and where people are naked, and secure goods in return the woolgrower might get an increase in price for this wool. [Applause.] I believe in a tariff for revenue and do not oppose a revenue duty on wool whenever a tariff is levied on manufactured wool, but I can not vote for this bill that destroys our foreign markets for cotton and other products.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONNALLY of Texas. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

Mr. YOUNG. Reserving the right to object, the gentleman is not speaking to this particular item of the bill.

Mr. CONNALLY of Texas. Oh, yes; the gentleman from Michigan [Mr. FORDNEY] did not speak to this paragraph but to the bill, and I am opposing the amendment of the gentleman from Michigan.

Mr. YOUNG. I am not going to object to the gentleman's request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Now I will refer to wheat. I will say to the gentleman from North Dakota that largely the same trouble pertains to wheat as it does to cotton. There are people in Europe to-day starving. We are taking up collections all over the United States to buy wheat to send to Europe to feed the starving millions. If you will permit those people to send over their goods to pay us for the wheat so that the wheat grower can send his wheat to a foreign market, he will get more than he is getting now. [Applause.] Now I will yield to the gentleman from Indiana.

Mr. SANDERS of Indiana. As I understand it, the gentleman from Texas thinks that if we do not have protection the factories in Germany will start up and the factories in Austria

will start up, and they will produce goods which they will send to the American market for which they will get gold and with which they can buy the cotton from the South.

Mr. CONNALLY of Texas. I say that if in your effort to protect the home market you impoverish the farmer and the stockman and the ranchman so that he can not buy your own manufactures you are going to both ruin the farmer and stockman and dry up your own home market. [Applause.]

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield further?

Mr. CONNALLY of Texas. I can not yield further. Gentlemen, this is the chief trouble with wool and with wheat and with cotton. The customers who bought these articles before the war can not buy them now, and the Republican Party thinks that that condition can be relieved by putting a wall between the seller in the United States and the buyer in Europe, and they want to put that wall so high that the buyer and the seller can never get together. I want to warn you Republicans and the beneficiaries of your tariff that if you discriminate against and impoverish the people of this country who are not engaged in the manufacturing business they will not be able to buy your manufactured products. Are you willing that financial ruin and disaster shall be visited upon the woolgrowers and the farmers in order that your favorites may fatten upon the profits which they will receive? Another trouble with wool is that most wool is sent to Boston, where the market is dominated by the American Woolen Co., which during the war was reported to have made profits of 1,000 per cent. How much of that 1,000 per cent went to the woolgrower? None. That market is dominated by those interests, but if you let some of that wool go to Europe and let Europe send their goods in return, the market in wool will be considerably improved. Why not trade with Austria and Germany and Italy? The President has said that peace is soon to be made with the two former countries. If we are to be at peace with Germany and Austria, why not trade with them, as we did in days of yore? Why prohibit absolutely commerce or trade with Germany?

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

Mr. CONNALLY of Texas. Yes.

Mr. HUDSPETH. What has been preventing this wool going to Europe for the past two years?

Mr. CONNALLY of Texas. Oh, the gentleman ought to know that Europe has not had any more gold in years past during the war than she has now.

Mr. HUDSPETH. Does the gentleman contend that we raise more wool in this country than we consume?

Mr. CONNALLY of Texas. One reason we have so much wool here is that at the present time the United States is the only place where there is any gold, and they have dumped a great deal of wool here; but that wool is already here, two years' supply, more than can be used, and if you want an outlet for it you must send it where it is needed and can be used, you must send it to Europe.

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

Mr. CONNALLY of Texas. Not at present. We have heard a great deal about proposed loans to Germany. Instead of loaning Germany money, if we will sell it goods and take its goods in return, it will both pay us and soon rehabilitate itself. Neither the Fordney bill nor the Young bill will deceive the farmer whose fancy it was designed to catch. Each wears the fair raiment of the farmers' friend, and with flattery and with practiced phrase seeks to first beguile and then betray, but the coat stolen from the farmer poorly conceals the figure of the tariff master—beneath the cloak of Esau the treacherous Jacob hides. [Applause on the Democratic side.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. YOUNG. Mr. Chairman, I ask unanimous consent that the vote upon this paragraph and all amendments thereto close in 30 minutes.

Mr. MacGREGOR. Mr. Chairman, I have an amendment pending, and I do not want to be cut off.

The CHAIRMAN. This would not cut off the amendment.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONGWORTH. Do I understand that another amendment than the one offered by the gentleman from Arkansas has been offered?

The CHAIRMAN. The amendment has been sent to the Clerk's desk, but it has not yet been reported. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. TINCHER. Mr. Chairman and gentlemen, I take this occasion to deny the insinuation that comes from practically every opponent of this bill on the Democratic side of the House that it has not been introduced and advocated by its proponents in good faith, and that it is a snare to catch the farmers. I have worked with some of the gentlemen on the Democratic side of the House, and I say it is unbecoming and unfair and without foundation for the distinguished gentleman who has just left the floor to charge his distinguished colleague [Mr. HUDSPETH] with insincerity when he knows that the latter has been an advocate of this from the day he came to this Congress last December. I do not think he should be charged by the gentleman with an effort to deceive the American farmer.

I want to congratulate this Congress upon the fact that the very first work it undertakes is an effort to relieve a class of people that everyone admits, even the distinguished gentleman from Arkansas [Mr. OLDFIELD], is suffering more from the administration of the American Government than any other class of people ever suffered in this country, and that is the American farmer. I was amused at the question of the gentleman from Arkansas [Mr. WINGO] when he said, "What is wrong with the American farmer?" It is easy to answer that. The same thing is wrong with the American farmer to-day that was about to happen when the European war broke out under a Democratic free-trade administration. At that time you got stimulation, you obtained some help by reason of the flow of blood of your fellow man, killed in war. But the day was merely postponed. The same thing is wrong with the American farmer to-day that has inevitably happened to him after a free-trade administration by the Democratic Party. [Applause on the Republican side.]

Personally I am for protection, and I am proud to come from a section of the country where the air is such that I can be for protection for all American industries. I am for protection especially on raw materials, because they are produced in my country. But I am not unwilling to protect the industries of Massachusetts. I am willing to vote for a bill to-day that will open the factories in Massachusetts, and I am sorry that every time this bill comes up we have LUCE talk, which amuses and elicits applause from the Democratic side. [Laughter.] I can understand the attitude of my friends on the Democratic side who do not want to vote for this bill, and I can especially understand it now since the minority report was filed as a result of your conference, which tells you that you are no longer in the Democratic Party if you vote for protection. I can not but admire the men, the sturdy pioneers of some of the Southwestern States, who sit on the Democratic side, who have the nerve to say in the face of this report that they will go ahead and vote for the folks at home regardless of what Mr. KITCHIN or anyone else says constitutes a Democrat. It is time that we began to be Americans. Do not worry your heads about opening the German factories. Let us open the factories in the United States, and when they open you will find that they will buy the products of the farmer. For that reason I have always been in favor of this bill. There is not much to the amendment of this bill. The bill is practically in the same form that it was before. There has been a whole lot said amounting to nothing about this antidumping proposition. We all voted for that. It was over in the Senate when we passed the emergency bill in the last Congress. The only good it does in attaching it to this bill is that it furnishes an excuse for some New Englanders who made a mistake and voted against the emergency tariff bill in the last Congress for lining up in favor of it now, and it also furnishes an excuse to the gentleman from Texas [Mr. GARNER] to oppose the bill.

Well, they had before them the minority report telling them what the caucus told them, and the caucus said, "We are for a tariff for revenue only and the Democratic Party has continued to be that; if it does not, you are in the Republican Party," and this report says that they have got enough in the Republican Party without them and advises them to stay where they are. [Applause on the Republican side.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. TINCHER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The time has been limited by action of the committee.

Mr. YOUNG. Mr. Chairman, there are five minutes reserved to me and I am perfectly willing to give that five minutes to the gentleman from Kansas.

Mr. STEVENSON. Mr. Chairman, reserving the right to object, the gentleman from North Dakota will remember he promised me 10 minutes.

Mr. KNUTSON. Is the gentleman for the bill?

Mr. STEVENSON. I am against it.

Mr. TINCHER. Mr. Chairman, I want to call attention to this minority report for the benefit of some of the new Members. There is a quotation in this report signed by Mr. KITCHIN

citing no less a person than a distinguished ex-Senator from my State. He cites a speech made by Senator Bristow in 1909, in which he said that he thought the tariff on raw materials at that time was probably too high, and he was willing to reduce the tariff. I remember that speech. And at the same time the Senator said that we ought to have some meatless days. The Senator will always remember that speech, because it resulted in transferring that distinguished gentleman from the United States Senate to a Virginia farm at the next election. [Laughter.] He was succeeded in this Congress by a man who is still a Member and who never did agree with the Senator on that tariff. I want to say this for Kansas. The Senator after farming awhile in Virginia became enlightened, and last fall he made some of the best protective-tariff speeches I ever heard in the United States for the Republican Party. [Applause on the Republican side.] I believe he would be willing to vote for a high protective tariff bill. Gentlemen, do not be led off by flies of this kind in a minority report submitted by a distinguished gentleman who has never made a speech on this floor but that disclosed that he believed that the success of the Democratic Party depended entirely upon their standing for free trade.

I want to say this while I am here, and maybe we will have some trouble over this later. There has been a good deal said about the schedules in the new tariff law. I want the schedules in the permanent tariff law to protect raw materials in the United States, where it is right they should be protected. [Applause on the Republican side.] And if the committee does not protect them when they bring the bill out here you will find us just as willing to try to amend your bill on this side of the House as on that side of the House. I think the time has come when the eastern manufacturer who has been the beneficiary of protection had just as well wake up to the fact that conditions have changed and that the western producer deserves protection as it is that he wake up to the fact that the factories in his home town should open. There is not any more excuse for asking the Kansas farmer to produce wheat for less than the cost of production than it is to ask the Massachusetts mills to continue to operate when the product can not be sold for the cost of manufacturing. [Applause on the Republican side.] A good deal has been said here about this bill being a farce; that six months would not do any good, because some men say the cotton will not be marketed in six months. Do not be fooled by that. The wheat crop of the United States will be marketed within six months. But more important than that, the industry that has suffered worse than the wheat industry is the meat industry of the United States, the meat crop, if you may term it so, that in these United States will change hands within the next six months; and let me tell you that if some relief is not brought to the men who are producing the meat for this country by some legislation or by some change of condition in this country there will not be any meat production to speak of within two years.

I want again to congratulate this Congress on the fact that we are getting right down on this main vital proposition that is before the American public to-day and within three days after Congress convened are about to pass this important measure that should have become a law and which the majority of the American people wanted to become a law more than four months ago. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STEVENSON. Mr. Chairman, just referring a minute to my friend from Kansas opening remarks that he is tired of having accusations made over here that this is a palpable fraud on the part of the proponents, I will not make such a charge; I never do. I will say that I think that the gentleman from Kansas is just simply laboring under a delusion. He does not know any better, and I do not accuse him of bad faith at all. Now the gentleman from Illinois [Mr. MASON] yesterday made one remark to which I wish to refer for a moment. The gentleman said it was under Cleveland and a low tariff that we had bad times and then they passed the McKinley bill which made the factories run and industries hum. The gentleman's memory is at fault. Even then it was somewhat in politics, and I remember that on account of the depression following the McKinley bill it was not two years old until 1892 when Mr. Cleveland swept this country and carried even the State of Illinois itself as a protest against the McKinley bill. That is the kind of prosperity it gave to the country and to the Republican Party. Now, the gentleman from Michigan this morning made the statement there was no long staple cotton exported from this country. That is an instance of the want of information under which the gentlemen over there labor. There has been no sea-island cotton made practically for the last year or two. The greater part of the last crop of the sea-island cotton that has been made has been exported. For instance, in 1919, of 5,020 bales made there were 3,895 of those bales exported, practically all of it. And I hear people say that this law will cover sea-island cotton and Egyptian cotton. Let us look at it for a minute.

In 1916 there were produced 117,000 bales of sea-island cotton, and there was a lot of it that was exported. They got about 20 cents a pound for it. In 1919 it was bringing 75 cents to $1, and they made only 5,000 bales, a drop of from 117,000 to 5,000 bales in four years. Why? Not because of Egyptian cotton and because the price had soared to unmentionable dimensions. It was because the boll weevil had destroyed it, and the reports of the Department of Agriculture will show it.

They say they want to help the long-staple cotton man. Whom does this bill help? All cotton over 1⅛ inches has a tariff put on it. How much is made in the United States of 1⅛ inches and over? Forty-seven thousand bales out of 13,000,000 bales. How much protection are you giving to the southern cotton farmer when you are putting a tariff of 7 cents a pound on the 5,000 sea-island cotton bales and 42,000 bales in Arizona and not a cent on the balance of the crop? There were 1,008,000 long-staple cotton bales made in 1919 that came up to an inch and one-eighth.

There were only 169,000 bales made that came up to an inch and one-quarter. Now you add another eighth of an inch to it. You see the decrease of 839,000 bales in round numbers by raising it one-eighth of an inch. Raise it another eighth of an inch and where are the 169,000 bales that reached 1⅜ inches? There is none of consequence. I raise cotton. Long-staple cotton, too. There is none of it reaches that, and yet you say you are protecting the cotton farmer of the South.

Mr. LAZARO. Will the gentleman yield?

Mr. STEVENSON. Not just now.

There are some other things about that proposition.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

Mr. LAZARO. I would like to ask one question for information.

The CHAIRMAN. The time has been limited.

Mr. STEVENSON. I will say to the Chair that I had an arrangement with the gentleman from North Dakota [Mr. YOUNG] that I was to have 10 minutes. Still, if it has been disposed of——

Mr. LAZARO. I would like to ask the gentleman a question for information.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. STEVENSON. I ask unanimous consent. I failed to object because I had this arrangement with the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG. I regret very much that I did not understand the gentleman. The next subject is flour, and closely related to wheat.

Mr. STEVENSON. What I wanted to speak on now is wheat. I will not take over three minutes; certainly will not go to five. I ask unanimous consent to be allowed to proceed for five minutes, not to be taken out of the time which has been arranged.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to proceed for 5 minutes, it not to be taken from the 30 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. STEVENSON. Yes, sir; I will yield.

Mr. LAZARO. I know the gentleman has studied the cotton and the cottonseed industry. What is the opinion of the gentleman as to these oils coming in competition with cottonseed oil?

Mr. STEVENSON. I will discuss the cottonseed oil schedule when we get to it.

They talk about the wheat proposition. The gentleman from North Dakota [Mr. YOUNG] has a great institution in his State known as the Bank of North Dakota. It is an institution fostered by the great Nonpartisan League, which indorses him and, I understand, votes for him to come here. He is here by its good will and its sufferance.

Mr. YOUNG. In spite of it.

Mr. STEVENSON. That great institution while the Fordney bill was pending issued this bulletin on the subject. It says:

CAUSES OF PRICE DECLINE.

Among the causes that have been assigned for the decline in wheat prices, importations of Canadian wheat and flour and the lack of foreign demand have been given the most prominence. But the total im-

portations from Canada during the month of October, including the wheat equivalent of flour, according to a report of the Department of Commerce, amount to only 10,157,708 bushels. It is estimated that the total of 1920 importations from Canada may reach 50,000,000 bushels, which it is assumed will be added to our surplus, estimated as being from 100,000,000 to 220,000,000 bushels. But it is explained that the Canadian wheat sold here is taken from Canada's surplus for export to European countries; so that their deficit would naturally be made up by increased buying from us; that is, the effect of Canadian importations upon our alleged excess supply is exactly nothing.

Now, they reached their own conclusions:

FARMERS INFORMED.

The obvious conclusion from the foregoing figures is that none of the reasons for the decline in farm prices offered by those who have exhorted the farmers to be sure of their position will hold. Most farmers have been familiar with the central facts of the situation as here enumerated. They have known that production is not in excess of world needs; though perhaps somewhat confused at times, they have been aware that Canadian importations have been practically negligible; and since the middle of September they have known that European buying has been active, and that European countries have bought or engaged for future delivery all, or more than all, of our surplus wheat.

They go on to reach the conclusion that importation which would be stopped by the Fordney tariff bill would have absolutely no effect on prices in this country. Now, those are the farmers of North Dakota. I wondered when I saw that the name of this bill had been switched, and that it was now called the "Young bill," if the attitude of the farmers of North Dakota through its great financial institution and its bulletins was in any way responsible for the fact that they now hung this onto North Dakota and wanted to give North Dakota the credit for the bill in order to allay any alarm or opposition that appears to be in that quarter as to that particular measure.

Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. HUDSPETH. I would like to ask the gentleman a question before he sits down. How much short-staple cotton do we import into this country?

Mr. STEVENSON. We imported in 1919, all told, 700,214 bales of all kinds.

Mr. HUDSPETH. A year?

Mr. STEVENSON. A year; and 485,000 of that last year was Egyptian cotton, and at the very time that was coming in we were selling our 1⅛-inch staple at $1 a pound and were not affected a particle by the Egyptian product, which goes into mercerizing.

Mr. HUDSPETH. I wanted to ask the gentleman how the short-staple cotton got into this bill?

Mr. STEVENSON. The short staple and the long staple run together.

Mr. HUDSPETH. How about the short staple?

Mr. STEVENSON. There are around 215,210 bales of short staple imported, 65,000 bales from Mexico being let into the gentleman's district, and this tariff will not keep out a single pound of it when it comes here in competition with the 12,500,000 bales this country makes.

Mr. SABATH. How much of that is exported?

Mr. STEVENSON. Six million five hundred and ninety-eight thousand three hundred and forty-seven bales.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIN. Mr. Chairman, I am sorry that the American Congress is whiling away its time on a measure that is nothing, in my judgment, except a delusion, a snare, and a farce, intended to deceive the backbone of the United States. This measure proposes a limitation of six months to protect the men who dig in the soil and produce the farm products of this country. Why, the very articles they are pretending to protect, or some of them, are not planted in the ground yet. They can not be harvested by the time this bill shall have expired.

The gentleman from Kansas [Mr. TINCHER] ought to know what is the matter with the American farmer. Thousands of them were unable to buy shoes for their children during this past winter. Others were unable to buy decent raiment for their children to wear to the public schools of this country. That iniquitous railroad bill which you gentlemen put across in the last Congress last year added 35 per cent cost on all of the stuff that the farmer raises, because they have to pay that to transport it to the consumer.

I will say to the gentleman from Kansas that is one thing that is the matter with the American farmer. Another thing that is the matter with him is that the markets across the waters, where his products go, have been broken.

Nine million bales of cotton in the United States are awaiting sale in the markets of the world, and the Republican Party through this measure is endeavoring to put up a barrier, a tariff wall, between the producers of the United States and the people of Europe who would buy that cotton, the people in China and Japan, who must buy in order to manufacture it into fabricated products and send them to the marts of the world.

Further, you have placed in this very bill a provision that makes it operative as a prohibition for Germany, Italy, or Austria, or Russia to buy a pound of our cotton, tobacco, lumber, or any other product of the farms of the United States: 4,000 per cent is added to the goods as a duty to be collected at the ports of this country on wares coming from Russia, 400 per cent on wares coming from Germany and Austria, and 200 per cent on wares coming from Italy. Do you not know that it is intended to be a prohibition to prevent and to preclude trade between those countries and the United States?

And yet the gentleman from Ohio [Mr. LONGWORTH] said Congress must take off the excess profits tax. You are proposing a scheme here that will enable the big business of the United States, through transportation and manufacture, to plunder and exploit the farmers of this country. Yet you are going to propose to take the tax off of "big business" and put it on to those same poor farmers whom you are endeavoring to defraud here. The gentleman said $17,000,000,000 had been taken out of big business and put into municipal and local bonds of States and counties and subdivisions. He is going to take it out of those bonds and put it into factories in order further to rob the people. Who is going to buy these school bonds and county bonds and other types of bonds that the people have been reckless enough to put on themselves? Those bonds have all been sold. Now, the gentleman proposes to take off the excess-profits tax, which amounts to $800,000,000 or $1,000,000,000 a year. Where is he going to land it? He is going to put it on the backs of these farmers, because ultimately they and the laboring people of this country have always paid the Federal taxes to run the Government prior to the time we put on the income and excess profit taxes. He proposes to take it off the men who enjoy the special privileges of this proposed legislation of protective tariff and put it on those people that the gentleman from Kansas inquires about when he asks what is the matter with the farmer. Put it on the backs of those people that the gentleman from Kansas want to know what is the matter with. [Laughter.] They will understand what is the matter with them when you put through this iniquitous legislation and put on top of them the sales tax and transfer it from big business to the ultimate consumers of this Republic. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MACGREGOR. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MACGREGOR: Page 2, line 1, after the word "bushel," insert: "*Provided*, That wheat in transit upon the Great Lakes shall not be subject to the duty hereby imposed."

Mr. LONGWORTH. Mr. Chairman, I make the point of order on that, that the amendment is violative of paragraph 3 of Rule XXI.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. MACGREGOR. I would like to ask the gentleman from Ohio to state what his objections are. He refers to some rule or a paragraph, but I fear it is like quoting from some case.

Mr. LONGWORTH. Mr. Chairman, it would be rather wise for the gentleman from New York to familiarize himself with paragraph 3 of Rule XXI when he undertakes to amend a revenue bill.

Mr. GARRETT of Tennessee. Mr. Chairman, may I ask the gentleman from Ohio, Is not this germane to the item in the bill?

Mr. LONGWORTH. I think it is not germane. It introduces an entirely new element into the paragraph.

Mr. GARRETT of Tennessee. What? Wheat is the element.

Mr. LONGWORTH. This segregates certain kinds of wheat, providing that some sorts of wheat shall pay a duty and others not, a provision for a different rate of duty on wheat in transit. It brings in a new element and is not germane to the paragraph putting a specific duty on all wheat. If the gentleman thinks the strict construction of paragraph 3 of Rule XXI prevents freedom of amendment he is more to blame than I because he is the draftsman of that paragraph the evident purpose of which is to make it impossible to amend revenue bills. [Laughter.]

Mr. GARRETT of Tennessee. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The gentleman may proceed.

Mr. GARRETT of Tennessee. Mr. Chairman, it is true that I had something to do with the form of paragraph 3 of Rule XXI, but the construction which the gentleman from Ohio [Mr.

LONGWORTH] now asks of the rule goes beyond, if I remember, any construction that has yet been made. In other words, it places a narrower limitation than was made even by the Anderson ruling when this bill was last before the Committee of the Whole.

When this bill was last before the Committee of the Whole the gentleman from Minnesota [Mr. NEWTON] offered an amendment to except certain wheat and added to it an administrative provision. The gentleman from Ohio [Mr. LONGWORTH] promptly made the point of order that it was in violation of paragraph 3 of Rule XXI. The Chair [Mr. ANDERSON] sustained that point of order, on the ground that the administrative provision provided in the Newton amendment introduced a new element which was not germane. Thereupon the gentleman from Minnesota offered his amendment with the administrative provision left out. While I do not now remember the exact wording of the amendment, it referred to specific wheat, and the Chairman of the Committee of the Whole, the gentleman from Minnesota [Mr. ANDERSON] at that time, overruled the point of order made against it.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. I yield.

Mr. NEWTON of Minnesota. It is my recollection that my amendment, as it was finally drafted and as it secured the approval of the Chair, provided that wheat in transit on or after the date of the bill—the date when the bill was introduced—should be admitted free and clear of the duty.

Mr. GARRETT of Tennessee. That is my recollection.

Mr. NEWTON of Minnesota. I can not see any difference between the two.

Mr. GARRETT of Tennessee. And I insist that that precedent is precisely in point. The fact is, I disagreed with the Chairman of the Committee of the Whole at that time about sustaining the point of order against the administrative feature, because I thought it was merely an incidental part of the amendment; but the Chairman of the Committee of the Whole at that time did hold an amendment substantially, as I recall it, as stated by the gentleman from Minnesota [Mr. NEWTON] to be in order and not violative of paragraph 3, Rule XXI.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield to the gentleman.

Mr. LONGWORTH. Would the gentleman think it was germane to this paragraph to offer an amendment subdividing wheat into various classes and imposing separate rates of duty upon it?

Mr. GARRETT of Tennessee. I certainly think it would be.

Mr. LONGWORTH. So long as the word "wheat" was in the amendment——

Mr. GARRETT of Tennessee. It has never been contended that you could not change a rate in the bill. Now, if you are dealing with wheat, which is the substance involved in this line, if you confine the amendment to classifying wheat and fixing different rates of duty upon different classes of wheat, undoubtedly it would be germane.

Mr. LONGWORTH. If I understand the gentleman correctly, his proposition is that so long as the word "wheat" is used you may subdivide wheat into any classes you see fit and impose any rates of duty, and that that is in order under this paragraph. May I ask the gentleman this question: Would he think that a provision exempting wheat from duty if it was produced by a trust would be in order?

Mr. GARRETT of Tennessee. I doubt that, under the Anderson precedent, which held an administrative feature not germane.

Mr. LONGWORTH. The gentleman, in his amendment, undertakes to classify wheat and provides that certain kinds of wheat shall be dutiable and certain other kinds not.

Mr. GARRETT of Tennessee. If the gentleman from Ohio will permit me, that is precisely what the Newton amendment did, which the Chairman of the Committee of the Whole, after mature consideration and argument, held was not violative of the point of order.

Mr. NEWTON of Minnesota. My amendment provided that wheat purchased prior to the 20th day of December, 1920, should go in free of duty. The word "transit" was not used, although, of course, it was meant to take that in.

Mr. GARRETT of Tennessee. That would make no difference in the principle.

Mr. NEWTON of Minnesota. No.

The CHAIRMAN. The Chair is informed that no point of order was made to the amended amendment offered by the gentleman from Minnesota [Mr. NEWTON] to which the gentleman from Tennessee [Mr. GARRETT] refers.

Mr. GARRETT of Tennessee. Perhaps I am in error in my recollection.

The CHAIRMAN. A dictum of the Chair during the decision intimated that if the amendment were stripped of the administrative feature it might be germane and not within the inhibition of the rule. The amendment was stripped of that administrative feature, and no point of order was made against the amendment as reoffered, so that there has been no decision except the mere dictum of the Chair.

Mr. GARRETT of Tennessee. I thank the Chair for refreshing my recollection. I know we had the matter up in the argument here, and I was under the impression that the point of order was, in fact, made. Now, Mr. Chairman, independent of the precedent that might be drawn from the dictum of the Chair, let me say this: The gentleman from Ohio [Mr. LONGWORTH] has referred to my part in the drafting of this rule. I have stated on the floor of the House heretofore that I did not look with favor upon the policy involved in that rule, even at the time it was adopted by my party, and even though I aided in the drawing of it; but under the series of constructions that have been made I say unhesitatingly that the rule has been given a meaning which I did not, at the time that it was drafted and adopted by the House, believe would be given to it. I realized, of course, that it would greatly restrict the power of amendment upon revenue bills. I realized that that was the purpose of it; but I have never supposed that it would reach the point where, when a particular subject matter was before the committee in the text of the bill, the Chair would be called upon to hold that an amendment dealing with that same subject matter, whether in part or in whole, and fixing a rate, could by any possible line of reasoning be held to be not germane to the main proposition.

The CHAIRMAN. Will the gentleman from Tennessee permit the Chair to ask a question?

Mr. GARRETT of Tennessee. Yes.

The CHAIRMAN. The gentleman from Tennessee will no doubt recall the Dockery amendment to the Dingley bill, in which the gentleman from Missouri, Mr. Dockery, offered an amendment providing that items in the bill that were found to be made by a trust should be transferred to the free list. Does the gentleman from Tennessee see any analogy between that amendment and the one now pending?

Mr. GARRETT of Tennessee. Not the slightest. Was the Dingley bill considered under a special rule or under the general rules of the House?

The CHAIRMAN. The Chair thinks it was considered under the general rules of the House.

Mr. GARRETT of Tennessee. I, of course, was not here, and I do not know how that was. It has been my impression in some way that it was considered under a special rule which defined the right of amendment. But at any rate, whatever may have been the fact in that case, there is no analogy between that situation and this.

Mr. LONGWORTH. Why not?

The CHAIRMAN. Under clause 7 of Rule XVI.

Mr. GARRETT of Tennessee. The gentleman has made his point of order under clause 3 of Rule XXI. I do not recall what clause 7 of Rule XVI is.

Mr. FORDNEY. Mr. Chairman, I would like one minute on the point of order.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. FORDNEY. Yes. If it is in order to exempt from the rates of duty provided in this bill wheat in transit either by rail or by water, the bill should be amended so as to exempt 100,000,000 pounds of wool now on its way here from Australia on the high seas. If it is proper and according to the rules of the House to exempt from duty wheat which is now on its way here from Canada, or which has been purchased and is likely to be on the way before this bill can become a law, then it is possible to class every kind of wheat that is grown in any country of the world and fix a different rate of duty or different conditions under which it may enter the United States.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. FORDNEY. I do.

Mr. GARRETT of Tennessee. Of course, the gentleman is addressing himself to the merits of the proposition now and not to the point of order.

Mr. FORDNEY. I am trying to do so. Perhaps I might encroach a little, so that the boys may understand. [Laughter.]

Mr. LONGWORTH. Mr. Chairman, I think the question the Chair addressed to the gentleman from Tennessee [Mr. GARRETT] was entirely apt, as to whether he would distinguish between wheat that was produced by a trust and wheat that was in

transit. The gentleman from Tennessee says there is no analogy; to my mind there is a complete and perfect analogy. In most cases the distinction is made between wheat under two different circumstances—all other wheat and wheat in transit, just as in the case mentioned by the Chair, all other wheat and wheat made by a trust. It is clearly the duty of the Chair to rule that this amendment is out of order.

Mr. BARKLEY. Mr. Chairman, I do not desire to take up the time of the House unnecessarily, but I do desire to point out one phase of the question which I think the Chair should consider. If this provision on page 2 applied to any particular character of wheat, the amendment affecting any other character of wheat not included within the word would not be germane. But the word "wheat," as used in the provision on page 2, includes all wheat of every kind and character, wherever it may be located anywhere in the world. That means that any amendment affecting any part of the whole is germane. If it affected northern wheat or a certain kind of spring wheat or winter wheat or wheat located anywhere in the world, an amendment including a different kind of wheat might not be in order, but the amendment offered affects wheat included in the language of this bill, and therefore it must be germane to the bill and to this item in it. If the bill had provided that wheat grown in certain sections of the world could not be admitted except on the payment of 35 cents a bushel, an amendment affecting wheat grown in other sections of the world would not be germane. But the language in this bill includes all wheat, and therefore an amendment of this kind must be germane.

The CHAIRMAN. Will the gentleman allow the Chair to ask him a question?

Mr. BARKLEY. Certainly.

The CHAIRMAN. Suppose the amendment provided that wheat produced on a ranch containing more than a thousand acres or less than a thousand acres could not be the subject of duty?

Mr. BARKLEY. If the bill provided that wheat grown on a ranch of a thousand acres should be subject to a tax, and no other wheat, then any amendment excepting wheat in transit grown on a ranch of a thousand acres would be germane.

The CHAIRMAN. Does the gentleman from Kentucky contend that it would be in order to offer an amendment to provide that wheat raised on a ranch of a thousand acres or less should be exempt from duty?

Mr. BARKLEY. I think the Chair has reduced the matter to perhaps an extremely improbable posture by suggesting that an amendment of that sort could be offered; but if that sort of wheat was included in an item in the bill, it would be in order to offer an amendment excluding such wheat that might at this time be in transit.

The CHAIRMAN. Would it be in order to provide that soft wheat should be exempt?

Mr. BARKLEY. I think it would; it would directly relate to the item in the bill which includes all wheat, and of course includes soft wheat.

Mr. NEWTON of Minnesota. Mr. Chairman, it seems to me that the reading of the second sentence of clause 3, Rule XXI, will throw some light on the question: "Nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed." The item is wheat, including all kinds of wheat. There is a duty placed on wheat. Now, the amendment of the gentleman from New York seeks to take away certain wheat—wheat in transit—from the dutiable list. It seems to be that it is perfectly apparent that the gentleman's amendment relates directly to the item wheat, which includes all wheat. He seeks to exempt wheat in transit. Wheat in transit is included in the general term "wheat" from the operation of a duty. It is perfectly clear that it relates directly to the item and the subject matter of the item.

Mr. COCKRAN. Mr. Chairman, may I suggest that the point of order goes very far. If it be sustained, it practically ousts the Committee of the Whole from authority to propose or consider any amendment whatever to a revenue bill. It limits us to passing or rejecting proposals of the Committee on Ways and Means. That would be an abdication of power which I think would be nothing short of a serious misfortune for the House. It is difficult for me to conceive anything more germane to the paragraph than this amendment, unless perhaps a motion for total rejection. The Chair's suggestion that it would be a manifest violation of the rule to propose an amendment that wheat raised by a trust or upon a ranch of 1,000 acres be exempted from operation of the paragraph is perfectly clear. Such an amendment proposes a penalty on certain producers of wheat application of which involves a judicial proceeding, superimposed upon an act of taxation. But here the proposal simply is, that the tax levied on wheat shall not apply to all wheat. Could anything be more germane than that? The only thing that could be more germane would be a proposal that the paragraph should not apply to any wheat. That would be proposing total rejection of the recommendations of the committee. If the Committee of the Whole has not the power to consider an amendment limiting application of recommendation of the committee to impose taxes, then it abdicates the most important of its powers and limits itself to passing or rejecting the proposition.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. COCKRAN. Certainly.

Mr. GRAHAM of Illinois. Would it be in order to move to take the 35 cents a bushel off wheat and put it on the free list?

Mr. COCKRAN. I should most assuredly think so. If that would not be germane, what proposal would be?

Mr. GRAHAM of Illinois. If that is so, then why can you not put a part of this on the free list?

Mr. COCKRAN. That is precisely what this amendment seeks to do. This amendment proposes to exempt certain wheat from the operation of this clause. If there could be anything more germane than that, short of moving its total rejection, as the gentleman suggests, it is not within the range of my intellectuals to conceive it.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from New York [Mr. MACGREGOR] provides that wheat in transit on the Great Lakes shall not be subject to the duty proposed. The amendment is offered to the item in the bill which reads:

1. Wheat, 35 cents per bushel.

Objection is made by the gentleman from Ohio [Mr. LONGWORTH] that the proposed amendment is in violation of clause 3 of Rule XXI, which reads:

No amendment shall be in order to any bill affecting revenue which is not germane to the subject matter in the bill; nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed.

Clearly the amendment is germane to the item of the bill to which it is offered. It relates to wheat in transit, and wheat is the subject matter under consideration. It relates directly to the subject matter of the item. If the amendment had been offered at the conclusion of the first paragraph, it would have sustained the same relation to this bill and to this item in the bill that an amendment offered by the gentleman from Missouri, Mr. Dockery, bore to the Dingley tariff bill, which amendment provided that articles produced by a trust should, upon the finding of that fact, be transferred to the free list. Mr. Dingley made the point of order, and the Chair sustained the point of order, that it was not germane to the bill. The Chair at first blush was inclined to believe that this amendment might have come within that ruling, and he endeavored to get a discussion on the floor upon the question. It is not for the Chair to decide whether or not it is a wise thing for this committee to exempt wheat in transit from the provisions of this bill. That is a question for the committee to decide, and the Chair is within the dictum of a former chairman in deciding an analogous proposition offered to this same bill some weeks ago. The Chair regrets that the objection was not made to the amended amendment offered by the gentleman from Minnesota [Mr. NEWTON] after a point of order had been sustained, so that the Chair could now have the benefit of a decision of the then occupant of the chair; but no one seemed willing to make the point of order after the amendment had been stripped of the objection to which the Chair referred when he sustained the point of order to the amendment offered in its former condition.

The Chair believes that the dictum of the Chair on the former occasion is sound reason and leaves the matter to the discretion of the committee as to whether or not wheat in transit on the Great Lakes shall be included within the provisions of this bill. The Chair, therefore, overrules the point of order.

Mr. MACGREGOR. Mr. Chairman, the proposition is a simple one, and it need not take very much time. The question goes to the matter of fairness to those who have purchased grain in Canada at Fort William, for instance, for the mills in the United States, as to whether they shall be put in the position of being compelled to pay this duty which they had not anticipated at the time of purchase. That will affect very many millers throughout the United States, and I think that at this time where they have purchased the wheat and it is in transit the duty should not be imposed.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MacGREGOR. Yes.

Mr. GREEN of Iowa. The gentleman, of course, would say that if this is to be done with reference to wheat it also ought to be done with reference to wool, some of which will not arrive for six months, and also with reference to lemons.

Mr. MacGREGOR. That is simply argument.

Mr. GREEN of Iowa. And that the same thing ought to be done with practically everything in the bill.

Mr. MacGREGOR. This wheat is in close proximity, and it is only a matter of several hours as to whether they shall pay the duty or not.

Mr. MADDEN. Mr. Chairman, the amendment ought not to be adopted, in my judgment. There is a provision in this bill later on intended to prevent dumping of European goods into American markets, and if the amendment should be adopted it will in a measure nullify that provision. We all remember that in 1913 the Democrats came into power with Mr. Wilson as President. We remember that when they came into power the country was in a state of prosperity, that we turned over under the beneficent rule of a protective tariff some $237,000,000 to the Democrats, without a dollar of obligation against it. We built the Panama Canal out of the revenues of the Government. We borrowed no money. The Democrats upon coming into power immediately proceeded to pass the Underwood tariff law, and within less than a year after they passed it 3,000,000 men were idle in America. They then proceeded to pass what they called the war revenue law, although we were at peace with all the world. That law raised $120,000,000 a year. That was intended to supply the extravagant expenditures of the Democratic Party. It did not find employment for any one. Millions of men were thrown into idleness, mills were closed because they allowed European goods to be dumped into the American markets without the payment of any duty. America could not compete with Europe under such circumstances. This bill provides against that condition. It provides that Europe can not dump her goods into American ports without the payment of duties provided for in the bill. To-day as a result of Democratic management of the country we have nearly 5,000,000 men idle in it, and the people of the country in their business and in their homes are on the border of starvation. We are endeavoring now to rehabilitate the situation, and to the extent that it can be rehabilitated by this bill we have done the thing that ought to be done. Who knows how much wheat will be in transit on board ships or on trains when this law becomes effective? It is because of the fact that other countries have been shipping their wheat and their products into America in competition with American agricultural products that this bill is proposed. This amendment if adopted would nullify the bill to the extent of the amount of wheat in transit, and the amendment ought not to be given serious consideration except to the extent of defeating it. If we are going to pass a law to prevent dumping, do not adopt this amendment. If we believe that the influx of foreign-made goods, whether they are from the farms of foreign nations or from the factories, be detrimental to American welfare, do not adopt the amendment offered by the gentleman from New York. I believe personally that the time has come when every peddler who comes into America from a foreign country enters the customshouse should pay the peddler's license.

I am a protectionist. I believe in maintaining the American market for the American, and the way to maintain the American market for the American is to prevent the dumping of foreign commodities into American ports free of duty and if they come in in any way whatever compel them to pay the equivalent to the difference between the cost of raising or making the material and the commodity here and there abroad. Then you put America on a basis of equality with Europe and the world. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARRETT of Tennessee. What is the parliamentary situation? How many amendments are pending?

The CHAIRMAN. Just this one amendment.

Mr. GARRETT of Tennessee. I understood the gentleman from Arkansas had an amendment pending.

The CHAIRMAN. There are two amendments pending, but the time for debate has now been exhausted.

Mr. GARRETT of Tennessee. Upon what does the vote first come?

The CHAIRMAN. The vote will first come upon the amendment offered by the gentleman from Arkansas. The question is on the amendment offered by the gentleman from Arkansas.

Mr. GRAHAM of Illinois. May we have that amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The amendment was again reported.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. OLDFIELD) there were—ayes 47, noes 137.

So the amendment was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from New York.

Mr. NEWTON of Minnesota. Mr. Chairman, may we have the amendment reported.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

There was no objection.

The amendment was again reported.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to amend by striking out the words "upon the Great Lakes."

Mr. FORDNEY. Mr. Chairman, I object. It is too late to amend now.

The CHAIRMAN. The amendment is in order, but debate is not.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question is now upon the amendment of the gentleman from New York.

The question was taken, and the Chair announced the noes appeared to have it.

Mr. GARRETT of Tennessee. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee divided; and the tellers [Mr. YOUNG and Mr. MacGREGOR] reported that there were—ayes 60, noes 127.

So the amendment was rejected.

The Clerk read as follows:

2. Wheat flour and semolina, 20 per cent ad valorem.

Mr. OLDFIELD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. OLDFIELD: Page 2, line 2, strike out the paragraph.

Mr. OLDFIELD. Mr. Chairman, I do not care to take up very much time in discussing this amendment, but I can not see the reason for placing a protective duty upon flour. The farmers of this country do not produce flour. The farmers of the country produce wheat and the millers of the country produce flour, and I dare say there has been no more profitable business in America during the last four years than that of producing flour. They have made enormous profits. Flour up to six or eight months ago sold at from $12 to $14 and $15 per barrel. Flour is now down to about $7.50 per barrel. Under your bill, if this tariff is adopted of 20 per cent ad valorem, it will mean $1.50 per barrel on flour, and the millers of the country are in a position to take advantage of that, while the farmers are not in a position to take advantage on wheat, because there are too many wheat farmers in the country. They can not organize to control the market.

But, gentlemen, the flour millers of the country, who have one of the best organizations of any producers in the country—and this was developed at the hearing—are well organized, and they can take advantage of this excuse to make the consumers of America pay an additional $1.50 per barrel on flour. I say it is unjust to the consumers not only in the cities of the country, not only in those industrial centers where there are four or five million laborers out of employment to-day, but throughout the country in every city, in every town, every village, every hamlet, and almost every farm in America, because the big millers of the country have a monopoly on the milling business, and even the farmers of the country themselves must buy flour from these great millers, and so I say to you, gentlemen, you ought not to press this bitter cup on the farmers of America. You ought to let flour remain on the free list. How do you expect the people of America to-day who are broke, if you please, when you have 4,000,000 laboring men out of employment to-day, how do you expect them to pay more for bread? You can not help anybody, if you please, except the millers of the country who have been making enormous profits for the last four years up to within six months ago. I plead with you gentlemen, for once in your lives, you ought to be honest with the people of America and the great consuming mass of America and let flour remain or be on the free list.

Mr. Chairman, that is all I care to say.

Mr. LUCE. Mr. Chairman, a previous interrogatory addressed to the gentleman of the committee having this matter in charge elicited from my friend from Michigan an eloquent exposition of protectionist doctrines, and for that reason I am not wholly regretful of his misapprehension. As a matter of fact, I did not have in mind the question of whether the payment to which I referred was made by the foreigner or a citizen, but I was trying to learn from the gentleman from North Dakota if he believed that the payment is not passed on from the middleman to the consumer. And if the colloquy reached a point where we agreed, he admits that this benefit to the farmer is to be paid by the middleman.

Now, the figures that he presents on page 6 of his report indicate that there are in the hands of the country mills and elevators a visible supply of something more than 100,000,000 bushels of wheat. Therefore, this 35 cents a bushel, if it accrues to their benefit, will to that extent accrue to the benefit of a class of which he does not ordinarily speak with great admiration. There remains a possibility, according to his own figures, of benefiting the farmers of the country to the extent, perhaps, of 100,000,000 bushels sold between now and the 1st of July, and perhaps 200,000,000 bushels in all, for which he expects the farmers of the country to receive 35 cents a bushel additional. In other words, he expects this will bring to the benefit of the farmers of the country about $70,000,000. Will he now inform me whether he expects this $70,000,000 will be paid by the middleman or whether any of it will be passed on to the consumer?

Mr. YOUNG. I would like to ask the gentleman a question before I answer that. It is this: Who is going to pay the duty on woolen cloth?

Mr. LUCE. Mr. Chairman, I am a Member who represents a part of the country where it is the characteristic of the Yankee to answer one question with another. [Laughter.] The gentleman from North Dakota has no such perquisite. Let him answer my question first.

Mr. YOUNG. I undertook to give the gentleman an answer a little while ago, to the effect that we do not sell our products direct to the consumer. Sometimes they pass through one, two, three, or more hands before getting to the consumer. I ventured to remark that while farm products had been greatly deflated at the farm, that the others who are handling these products had not deflated their prices. And it seemed to me reasonable that, inasmuch as they had not done so, possibly even if our products were now advanced moderately, and not up to the point where they were previously, it would not be expressed in a higher price than the consumers are now paying to the retailers. I think that is a fair presumption. But I want to say this to my friend from Massachusetts, that somebody has got to pay the farmers the cost of producing their commodities or they will cease to produce them. They will be forced out of business. Somebody is going to pay it, and the purpose of this bill is to see, so far as we can by the passage of a tariff law, that the farmers shall have something, at least, approximating the cost of production.

A telegram has just been handed me from Gen. Amasa P. Peake, of Valley City, N. Dak. After calling attention to the fact that farmers are now paid less than half the cost of production for cereal crops, he says:

Farm buying power must be restored to start idle factories.

Is it unreasonable, then, for me to insist that some one must pay farmers their cost of production? This duty on wheat is proposed to help in that direction.

Mr. LUCE. Mr. Chairman, that is the idea on which the gentleman's mind and my own mind part company. I would like to point out that gentlemen on the other side of the House are quite unwarranted in drawing from what I have said the inference that I take the ground they have taken in their minority report. I have observed in the course of my life many political blunders. I never saw a blunder more needless, according to my judgment, more stupid, than that which injected into the discussion of this matter the question of free trade. We are all protectionists now. No sensible man could have watched the story of the late war and not come out of it without the belief that the chief economic lesson taught was the absolute necessity that our Nation shall suffice unto itself.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LUCE. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent for five additional minutes. Is there objection?

Mr. YOUNG. Mr. Chairman, I am not going to object to this particular request, but it seems to me that hereafter we ought to confine ourselves, if we can possibly do it, to speeches not exceeding five minutes and expedite the passage of this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none.

Mr. LUCE. Mr. Chairman, I trust that this will be the last word I shall have to say on this measure, and I shall try to compress into five minutes enough to show the attitude of one Member of this House.

This is not an issue between protection and free trade or tariff for revenue only. We are all, or ought to be, protectionists, and without regard to party ought now to try to frame a tariff bill that will make the United States of America able to live by itself. That was a great lesson of the war, but that does not prevent me from taking issue with gentlemen on this side as to what is or what is not protection.

My objection to this bill is that it is not protection; that this bill is gratuity, and that this bill is a levy on two-thirds of the people of this country in order that the other one-third may suffer less than their fair share of the damage brought by the Great War. [Applause on the Democratic side.] Applaud me not, as you may think I am sympathizing with the attitude you are taking. Yours has been the error to inject into the discussion here something wholly foreign. I am talking about a proposal now which does not seem to me protection. By the very figures you present, you demonstrate that 80,000,000 bushels of this wheat will have been exported by the 1st of July. You demonstrate that the price for that wheat will be fixed abroad. You demonstrate that the only benefit which can come to the farmer is the immediate gift to meet his hardships out of the pockets of the rest of the people. And in your report you set this forth. You point out and maintain that one-third of the people of this country have suffered disastrously. Why, sir, every farmer in your district has a roof over his head, every farmer has food in his granary. There are thousands and thousands of men in my neighborhood who live under a roof only by the permission of a landlord, and whose kitchens and pantries are empty, and whose wages have stopped.

Do you tell me that the farmer, at ease and comfort, with his food and shelter supplied—will you tell me that he is worse off than the man in my neighborhood whose whole means of livelihood has been taken away? More than 4,000,000 laboring men in this country, unless their savings have not been exhausted, to-day are without the means of subsistence. I say that this bill is political folly. I say that this bill endangers the safety of the party whose interests you and I have at heart. I say that this bill is incarnated selfishness. I say that this is a bill to encourage class and group legislation—the greatest menace to-day not only of this country but of the whole world. [Applause.] Ah, when you foster the interests of a group that comes here and demands relief by special privilege, you are adding fuel to the flames; you are inviting into this country the same division between classes and groups that you may see at this moment endangering the civilization of England, the same division that in Russia has enabled one group to crush out the best classes of the country, the same war between the classes and the groups that bids fair to sweep through Poland and Czechoslovakia and then Germany, on until it reaches the Bay of Biscay, and then perchance it will cross the ocean and threaten the very existence of our own Nation. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Massachusetts [Mr. LUCE] by his somewhat impassioned address has simply demonstrated how little he knows about the farming regions. Does he suppose that the tenant farmer, who has exhausted everything he has and has been compelled to leave the farm because he can not get enough out of his crops to possibly pay the rent, is any better off than the man in his district who has lost his job? Why, the tenant is infinitely worse off than the man he talks about. He has not only lost his job but all the work that he put in last year, and he can not pay what is owing on his rent. As to the manufacturers, their factories can stop; they can at least stop running, whereas the farmer, even the farmer who owns his land, can not stop, but has got to go on, whether it pays or does not pay. That is the situation in the farming districts, and among the tenants there is scarcely a man there to-day who is not a bankrupt, with debt hanging over him, so that unless he takes advantage of the bankruptcy law he will never be able to pay up as long as he lives.

The gentleman from Massachusetts talks about men being worse off in the manufacturing regions, and says this act is class legislation. Class legislation! What is a tariff for, anyway? It always benefits certain classes. A tariff for protection is based on the theory that when you help the farmer you help

the manufacturer also. That is what I have talked for years out in my district. Some of the farmers can not see why they should pay more for manufactured goods, just the same as the gentleman from Massachusetts can not see why his people should have to pay more, a little more, for wheat or for flour.

Yet we have voted for protection for the constituents of the gentleman from Massachusetts year after year on the theory that what benefited his constituents benefited us also, and that what benefits us benefits also the constituents of the gentleman from Massachusetts. Why, gentlemen, this bill, with its anti-dumping provisions, gives more protection to the interests of Massachusetts than it does to the interests of the farming regions.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Illinois. How does the gentleman from Iowa know, or how does anybody else here know if an additional duty is imposed that thereupon the consumer will pay more? Does not the gentleman from Iowa agree with me that to-day there is no relationship at all between the price that the farmer gets for his products and the price that we pay in the store?

Mr. GREEN of Iowa. I tried to state in opening the discussion this afternoon that the farmer sold in the open market and that he had a surplus of all his products; that he could not fix his price, nor could he enter into any combination with others, and he could only get the market price fixed by others, and as matters stood to-day he could not get anything like the high cost of production.

Mr. Chairman, the gentleman from Massachusetts, in talking about class privilege and class legislation, has forgotten what has been done for the manufacturers of this country year after year [applause on the Republican side] in the line also of helping the farmer. Class legislation! This is no more class legislation than any other provision in our tariff law. What is for the benefit of the farmers of this country is for the benefit of all of us. [Applause.]

Mr. BYRNES of South Carolina. Mr. Chairman and gentlemen, I am delighted to know that at last we are about to learn the truth. The gentleman from Iowa [Mr. GREEN] who has just spoken informed the House that this bill really gave more protection to the industries of Massachusetts than it did to the farmers of this country, and yet his committee has had the nerve to style this an emergency relief bill for the farmers. The gentleman from Illinois [Mr. GRAHAM] joins in presenting the truth to the House by stating that the price paid to the retailers bears no relation at all to the price that the farmer receives for his products. And the gentleman from North Dakota [Mr. YOUNG] in his report makes that statement, when he says:

> From the standpoint of the public it is believed the costs of retail will not be materially affected by reasonable duties on farm products. Under our present very faulty distribution system, which is badly in need of reformation, the prices paid to farmers seems to bear little relation to the final sales price.

So we are informed by the gentlemen in charge of this bill that when we levy a duty upon products coming into this country, such as meats, of 2 cents per pound, which the consumer will have to pay, because the packers will be able to increase the price of their commodities to that extent—that that increase in price bears no relation to the price that will be paid to the farmer, and he will continue to receive only such amount as the packers may deem it wise to give him.

And yet this is a farmers' relief bill. Even if what you say is true, that it will afford relief, that it will enable the farmer to receive an increased price for the products he has on hand, you have stated time and again that more than 60 per cent of last year's crops have passed from the hands of the farmer, and now you propose to tell him, as he is placing his crops in the ground in the spring, that for six months you will protect him, and then when he gathers his crops in the fall, six months from now, you will remove the protection.

In the meantime, through the operation of the exchange provision in this bill, you will cause him to pay for such agricultural implements imported from Germany an increased tax amounting to as much as 300 per cent, in the opinion of the gentleman from Ohio [Mr. LONGWORTH]. For six months your farmer in Oklahoma or Kansas must buy products upon which the tariff duty is increased 300 per cent to enable him to cultivate a crop, and then in the fall he must sell that crop after the six months have expired and the tariff has been removed from all of his products.

The gentleman from Ohio [Mr. LONGWORTH] stated yesterday that he did not understand how the relentless machine on our side of the House had induced some gentlemen to vote against this bill who had formerly voted for it. He said that the gentleman from Massachusetts [Mr. TREADWAY] had very lucidly explained his change of attitude. I notice, my friends, that the gentleman from Massachusetts [Mr. TREADWAY] gave as the only reason for this change of attitude was that the President in addressing this Congress on last Tuesday announced that we should vote for this bill. Therefore we have Executive dictation early in the session, causing the gentleman from Massachusetts [Mr. TREADWAY] to change his position. But we are left in some doubt as to his ultimate position, because he voted first for the bill, then on the conference report against the bill, then on the veto against the bill, and now he is going to vote for the bill. It is like the old story of "buy a button, steal a button, buy a button," and the Lord only knows how he is going to vote when this bill comes back from conference. The gentleman from Ohio might interest himself as to the change of attitude of Members on his side of the House without inquiring about this side.

There is absolutely no argument presented here to show the relief that will be offered to the farmer, and there is no argument offered yet to show anything that would justify us in calling it an emergency. Where is the emergency? All statistics show that there is now a reduction of 50 to 60 per cent in the amount of imports from the figures of last spring. If an emergency ever existed, it existed in the spring of 1920, when our imports of the agricultural products covered in this bill reached the pinnacle, and yet in the face of those imports you adjourned this Congress on June 5 and went to your homes and did nothing for the agricultural interests. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. I ask unanimous consent that all debate on this section and all amendments thereto close in 25 minutes.

Mr. JOHNSON of Mississippi. Reserving the right to object, I should like two minutes.

Mr. YOUNG. Then make it 27 minutes.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent that debate on this amendment and all amendments thereto close in 27 minutes. Is there objection?

Mr. MANN. Reserving the right to object, I should like to ask the gentleman whether it is expected that the House will adjourn this afternoon at about the usual time?

Mr. YOUNG. If gentleman on this side of the House will cooperate with us and not ask for unnecessary time, we will be able to pass the bill this afternoon and still adjourn at a fair time.

Mr. MANN. It is perfectly apparent that this bill will not be finished to-day unless we stay here this evening.

Mr. FORDNEY. Mr. Chairman, let me say to the House that if we can finish the bill to-day, it is the purpose that the House shall adjourn until Monday. If not, we must remain in session to-morrow.

Mr. MANN. You can not finish the bill to-day at the rate you are going.

Mr. FORDNEY. If the gentlemen wish to stay here and run to-morrow, I have no objection. I am here every day.

Mr. OLDFIELD. Mr. Chairman, gentlemen of the minority have no disposition in the world to take up any unnecessary time. We have been conferring among ourselves, and I do not think we will offer very many more amendments. What we want to do is to keep our record straight. Of course, we do not expect to defeat this bill, and we are all anxious to conclude its consideration at as early an hour as possible.

Mr. MANN. We have not commenced on the bill yet. Here it is proposed to have 27 minutes debate, not one word of which debate will be directed to the item.

Mr. OLDFIELD. Has the gentleman any objection to 27 minutes' debate?

Mr. MANN. I have no objection.

Mr. GARNER. Here is an amendment which proposes to strike out this paragraph. Of course, if there was no duty on wheat this paragraph ought to be stricken out, but with a duty on wheat probably there ought to be a duty on flour. If you are going to use up half an hour in the discussion of an amendment of this kind, it will be impossible to pass this bill to-day.

Mr. YOUNG. My thought was simply this: That yesterday there were quite a number of Members who were not able to get in on the general debate. We have cleared up most of that now, and I think that after the proposed limit we can speed up.

Mr. MANN. I think it wise myself to have liberal debate under the five-minute rule, but it is now nearly half past 3 o'clock, and we have not read any controverted item in the bill yet.

Mr. FORDNEY. Let me repeat, that if gentlemen wish to stay here and talk all to-day and all to-morrow, well and good;

but if gentlemen want to offer their amendments and have them voted on, we can adjourn over until Monday; otherwise not. It is immaterial to me.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

Mr. COCKRAN. What is the request?

The CHAIRMAN. That debate on this paragraph and all amendments thereto be limited to 27 minutes.

Mr. COCKRAN. On the paragraph?

The CHAIRMAN. Yes. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. OLDFIELD] to strike out the paragraph.

The question being taken, the amendment was rejected.

The Clerk read as follows:

Flaxseed, 30 cents per bushel of 56 pounds.

Mr. NEWTON of Minnesota. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. NEWTON of Minnesota: Page 2, line 4, strike out the entire paragraph.

Mr. NEWTON of Minnesota. Mr. Chairman, the motion is to strike out the paragraph—

Flaxseed, 30 cents per bushel of 56 pounds.

When the emergency bill passed the House during the month of December it contained no reference at all to this item. It went over to another legislative body and was reported out of committee in that body without this item in it. Upon the floor of that body this item of 30 cents per bushel was inserted.

The product of flaxseed is linseed oil, and it is not going to be of any benefit to the producers of the country to put a duty of 30 cents per bushel upon flaxseed if we do not put a compensatory duty upon its product, linseed oil. During 1919 our linseed oil imports were little over 16,000,000 gallons. In 1920 they numbered over 35,000,000 gallons. This, it will be noted, is more than double. Under the rules of the House it is impossible to amend this tariff bill by the insertion of an item placing a duty upon linseed oil. I refer to the rule that we discussed a few moments ago. By placing a duty upon flaxseed only, we restrict the importation of flaxseed, but we do nothing to prevent the importation of its product, linseed oil. This sort of legislation can not possibly benefit the farmer. It only injures the American manufacturer and the American workingman. I have a telegram here from a large manufacturer of linseed oil in my district which sets forth the situation exactly. It is as follows:

MINNEAPOLIS, MINN., *April 15, 1921.*

Hon. WALTER H. NEWTON,
House of Representatives, Washington, D. C.:

European linseed oil is offered at 52 cents per gallon in carload lots f. o. b. New York. This is less than we can manufacture linseed oil for, either from domestic or Argentine flaxseed, under present tariff rates on flaxseed. The increasing of the duty on flaxseed to 30 cents per bushel without increasing the duty on linseed oil at the same time will make a bad situation still worse and compel the linseed-oil mills in this country to shut down and buy their oil from Europe, throwing their men out of employment. We are running our mills at a loss to-day and can not afford to continue operating with 10 cents per bushel additional handicap. If the Members of Congress wish to shut down our factories, throw our men out of employment, and give the business to Europe, the increasing of the duty on flaxseed to 30 cents per bushel without a commensurate increase in the duty on linseed oil will accomplish their purpose. This, however, will also either destroy the market for domestic flaxseed or reduce the price to compete with foreign oil, thus injuring the farmers who raise flaxseed. If the duty on flaxseed is increased to 30 cents per bushel, the duty on linseed oil should be increased at the same time to 20 cents per gallon.

MIDLAND LINSEED PRODUCTS CO.,
By E. C. BISBEE, *Vice President.*

Mr. FORDNEY. Will the gentleman allow me to interrupt him?

Mr. NEWTON of Minnesota. Yes.

Mr. FORDNEY. Let me say to the gentleman that the item of the duty on flax was put on in the Senate, and when the bill went to conference our hands were tied. Now, we are told by the Finance Committee of the Senate that if we send the bill back just as it was vetoed by President Wilson they will pass it, but we must make no change in it at all. That is the only reason we oppose your amendment.

Mr. NEWTON of Minnesota. Will the gentleman answer this: What objection has the Finance Committee of the Senate to a compensatory duty on linseed oil?

Mr. FORDNEY. We have been told that the bill passed the Senate with this amendment in it, and if we will send it back just as we passed it and as it was vetoed by the President they will again pass it, but if we add anything or take anything out they will not give it consideration. That was the instruction. [Laughter.]

Mr. NEWTON of Minnesota. This bill is designed to protect the manufacturer as well as the farmer.

Mr. PADGETT. Do we have to obey the mandate of the Senate?

Mr. NEWTON of Minnesota. I do not think that question needs an answer; certainly not from this side of the House.

Mr. FORDNEY. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. FORDNEY. The members of the Ways and Means Committee agreed to send it over, if possible, without any amendment, and we are going to do it, and for that reason we opposed your amendment.

Mr. NEWTON of Minnesota. Does the gentleman think that if linseed oil was put in at 20 cents a gallon or this item stricken out it would jeopardize the success of the bill or mean its defeat?

Mr. GREEN of Iowa. It would, absolutely. The gentleman must take this bill as it is or leave it.

Mr. NEWTON of Minnesota. If that is the situation, let me say this: That I for one feel that where another body of this Congress passes a measure which we know to be wrong, that is wholly unscientific, which does not accomplish the result for which the legislation was designed, this House should not surrender to the dictates of the other body.

Mr. FORDNEY. I want to say to the gentleman that I want the bill passed to enable the farmer to have some relief, and I shall oppose his amendment with all my might and main. I will vote against any amendment in order to pass this measure.

Mr. NEWTON of Minnesota. I am sorry that the gentleman from Michigan has arrived at a stage where he will oppose any amendment that is offered to the measure, no matter what merit it may have. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN. Will the gentleman yield?

Mr. NEWTON of Minnesota. I yield to the gentleman from Illinois.

Mr. MANN. In view of the statement that has been made, what is the object in reading the bill for amendment under the five-minute rule? [Laughter and applause.]

Mr. NEWTON of Minnesota. I agree with the gentleman from Illinois.

Mr. MANN. Why did not the committee frankly come to the House and state the situation, propose to pass the bill under a rule, without reading it at all? [Applause.]

Mr. FORDNEY. Will the gentleman from Minnesota permit me to answer?

Mr. NEWTON of Minnesota. Yes.

Mr. FORDNEY. The bill passed the House as it is now with the exception of the Senate amendments. We did not ask for a rule because the Republicans understood that this was a relief measure for the farmers. We are going to put this through, no matter what you say; we are going to pass it just as it is.

Mr. NEWTON of Minnesota. Regardless of the statement of my good friend from Michigan, I do not claim to have any great amount of influence either on this side of the aisle or the other side of the aisle, but I am going to have my say just the same. [Applause.] This is the opening session of a new Congress. We meet here as the direct representatives of the people. We come here charged as Members of this House with the duty of initiating all revenue legislation. We who represent the people must answer to them every two years. The House of Representatives is a great legislative body. Its Members have this special duty and other duties. They should discharge them in accordance with their own judgment. They should not surrender their prerogatives. It is high time that this House should cease to play second fiddle to another legislative body. [Applause.]

I want to say further—I do not know what they have said—but I have had a little experience as some of the rest of you have had in playing a game of bluff, and the statements made over there that this bill will meet defeat if we do not give them everything they want will not be carried out. They will not stand by it. What this House needs is to stand up and act according to its own judgment, maintain its one-time independence, dignity, and traditions, and let the other legislative body know that this House will always stand up for its rights. [Applause.]

Mr. Chairman, I do not think that there is a Member in this House that will not agree that, with a duty on flax, there should be a compensatory duty on its product. Now, are we going to surrender our judgment to the dictates of another body? That is the only question. I yield to the gentleman from Iowa.

Mr. TOWNER. Let me suggest what seems to be entirely overlooked. That is, that this is an emergency measure; it only lasts six months. The matter to which the gentleman calls attention—the duty on linseed oil—will be contained in the tariff bill to be reported soon. Now, we have this dilemma placed before the committee, either to pass this bill as it was passed through the last Congress or not at all. Are we not, if we believe in the necessity of emergency legislation, justified in doing this rather than to see the entire emergency legislation fail? That is the proposition.

We will look after the linseed-oil proposition before the six months have passed. Gentlemen on the other side who are so exceedingly anxious to see the Republican Party embarrassed will have an opportunity of embarrassing them with regard to linseed oil at that time.

Mr. NEWTON of Minnesota. Mr. Chairman, I regret that I can not yield further. I hope this House will not be led astray by arguments such as have been made and probably will be made, but that it will adhere strictly to the issue, and see to it that from the very beginning of the session the House asserts its own rights in this kind of legislation. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. GARNER. Mr. Chairman, the Constitution provides that revenue measures shall originate in the House of Representatives, and as far as the formal introduction and report upon this bill to this body is concerned, the bill has originated in the House of Representatives, but as a matter of fact this bill, as it now appears from the statement of the chairman of the Committee on Ways and Means, seems actually to have originated in the Senate of the United States. In the 8 years' service that I have had here, I do not think I ever heard an admission upon the floor of the House which reflected so much upon this body as does the admission of the gentleman from Michigan [Mr. FORDNEY]. You gentlemen from the West who have been elected to this Congress and who were not present in the last Congress may not understand what the gentleman from Michigan [Mr. FORDNEY] meant when he said "We have agreed that this bill shall be passed without any change." If you had been here and heard from the well of the House statements from the gentleman from Illinois [Mr. MADDEN] that the result of the November election had placed in the hands of the American people east of the Mississippi and north of the Ohio the destiny of the taxation of the Nation, you western gentlemen would understand thoroughly what the gentleman from Michigan meant when he said "We." [Applause.]

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

Mr. GARNER. Yes.

Mr. MADDEN. I hope the gentleman will quote me correctly. The gentleman never heard me make that statement from the well of the House, nor did anyone else, and nobody else ever heard me say it anywhere.

Mr. GARNER. It was referred to a number of times in the last Congress, and we always had the gentleman from Illinois smiling when we read the interview that appeared in the newspapers of the country. Here is a bill, a revenue bill; that is up for reading for amendment. A Republican Member from Minnesota offers an amendment. The gentleman in charge of the bill, the chairman of the Committee on Ways and Means, rises in his place and says, "Yes; that amendment ought to be adopted, but this provision in respect to flaxseed was inserted in the Senate; a mistake was made, but under the rules of the conference we could not correct it, and now under our agreement the condition is such, although the amendment ought to be adopted, although the mistake ought to be corrected, that with one hundred and odd majority in this House, we have sufficient votes to say that we can not adopt this admittedly meritorious amendment to this bill." What kind of a position is the House of Representatives in? By your majority are you going to say to the country that when the leaders have decided that this shall be done, that although their attention may be called to the fact that they have made a mistake, yet having made an agreement, you will say to the Republicans of the House, "It makes no difference how many of you revolt; we have enough votes to put this bill through, although we know that it is an error and that it is wrong and that a mistake has been made and we decline to correct it?"

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. GREEN of Iowa. Does the gentleman think there was ever a tariff bill passed in the House of Representatives that did not have a mistake in it?

Mr. GARNER. Mr. Chairman, no tariff bill ever passed this House when the chairman of the Ways and Means Committee, having charge of the bill, rose in his place on the floor and admitted that an amendment ought to be adopted and then said that under an agreement which had been made we could not adopt it. [Applause on Democratic side.] Let me say to the gentleman from Iowa that this bill is in a formative state. We are now framing it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GARNER. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARNER. We are in Committee of the Whole, and what for? I suggest the same answer that the gentleman from Illinois [Mr. MANN] made a few moments ago. What are we in the Committee of the Whole for? What are we reading this bill for? It is to ascertain whether or not any gentleman on the floor desires to offer an amendment and to appeal to the conscience and good judgment of the committee to adopt it. If you are going to admit that the amendment is meritorious and then deny a man the right to put it into the bill, then surely the House of Representatives has gotten in an indefensible position.

Mr. GREEN of Iowa. The gentleman does not want this bill to pass, I assume.

Mr. GARNER. The gentleman from Iowa can have his own assumption; I do not.

Mr. GREEN of Iowa. That is what I thought.

Mr. GARNER. Mr. Chairman, I will ask the gentleman this question. I ask the Republican majority the question. You have 170 majority, and you have a big majority in the Senate. If you put linseed oil into this bill, will it defeat it?

Mr. GREEN of Iowa. I answer the gentleman——

Mr. GARNER. Oh, will it defeat it?

Mr. GREEN of Iowa. Yes; and nobody knows it better than the gentleman from Texas.

Mr. GARNER. My God, what kind of a party have you got? In what condition is your organization when you will admit on the floor of the House that the putting in of one little amendment which you say ought to be in there will defeat the bill?

Mr. GREEN of Iowa. The gentleman knows that every word that he is saying is fallacious as a practical matter, and he knows that if we commence to amend this bill right through, the Senate will assert the same prerogative, and before we get through with it we will be in the consideration of a permanent tariff law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FORDNEY. Mr. Chairman, I wish to make a frank statement. When this bill passed the House and went to the Senate it did not contain a provision for a duty on flaxseed. The gentleman from Minnesota [Mr. NEWTON], who offers this amendment, voted against the bill then not because flaxseed was in the bill and there was no duty on linseed oil provided for but he is opposed to the bill on general principles. If not, he would not have voted against it then, when it passed the House some weeks ago. This bill was passed then, and we are trying to pass it now as a relief emergency measure to help the farmers of the United States. The gentleman from Minnesota is opposed to the bill and offers as a flimsy excuse——

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Oh, I yield to the gentleman. I will be courteous to the gentleman.

Mr. NEWTON of Minnesota. The gentleman from Minnesota voted against the bill and has no apologies to make to anyone for it, but he did not vote against this particular bill, and the gentleman from Minnesota would like to vote for this bill.

Mr. FORDNEY. I hope you do, and I believe you will.

Mr. NEWTON of Minnesota. But apparently the gentleman from Michigan is not very much concerned as to whether the gentleman from Minnesota votes for the bill or not; apparently he does not care whether he does or not.

Mr. FORDNEY. Oh, yes; I would like to see the gentleman vote for it, and I hope he will.

Mr. NEWTON of Minnesota. Otherwise I think the gentleman would adopt a little different attitude from that he has expressed in reference to the item in question.

Mr. FORDNEY. The gentleman was very severe in answering me, and I never was sarcastic in my life except to answer a sarcasm, and would not now. This bill passed the House. Then it was vetoed by President Wilson just as we have presented it to the House, except we have reduced the time from 10 months to 6 months. Now, why? I have been frank with you, and I will be frank with the House, because that is the only way to succeed. We had difficulty in getting our own committee, as well as Members of the Senate, to agree to take up and consider this bill in the face of preparing a general tariff bill—a general revision of the tariff on everything in the tariff law.

Mr. NEWTON of Minnesota. Will the gentleman yield there?

Mr. FORDNEY. Just a minute and I will. The Republican members of the Ways and Means Committee conferred with the Republican members of the Finance Committee of the Senate to see whether or not we could reach an agreement by which both Houses would agree to pass this bill. We did have that conference, and the Senate brought forward all the objections they could think of to passing an emergency bill independent of a general tariff revision, and finally said: "If you will send it back to us"—this is the language used by one of the Senators—"without the crossing of a 't' or the dotting of an 'i,' except to reduce the time from 10 months to 6 months, we will pass it. To avoid a long general debate in the Senate, if you will send it that way, we can get a cloture rule and pass it in an hour's time in the Senate, and we will do so if you will send it back that way. But if you change it we offer you no promise whatever that the bill will ever become the law."

Mr. NEWTON of Minnesota. Will the gentleman yield there?

Mr. FORDNEY. I will yield; but let me conclude this: What I am deeply concerned is in trying to aid the American farmer, if possible, now in the time of his great need. He can not get anywhere near the cost for the production of his wool or of his wheat or of his cattle or any other of his agricultural products mentioned in this bill. Our earnest desire is, gentlemen, to carry out that suggestion offered by the Senators, that if we send it over just as it is they will pass it, but they can not promise success if changed, and I hope the House will accept the statement as sincere and send this bill back without amendment. The gentleman from Illinois says, "Why bring the bill in the House, except under a rule?"

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Just one minute, if you please.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FORDNEY. We thought it was not necessary to have any real general debate on this bill for the reason it passed the House before, and everybody, except the new Members, who are largely Republican Members and know a good thing when they see it, would vote for it without any further discussion, but when we brought it on the floor of the House and before we brought it up our Democratic friends pleaded for a long time in general debate.

Mr. NEWTON of Minnesota. Was there any specific objection raised in the other body to a compensatory duty upon linseed oil?

Mr. FORDNEY. My dear friend, I do not know, but I want to say I am in favor of protecting every industry—North, South, East, and West—to the fullest measure that is needed. [Applause on the Republican side.] But I am trying to pass this bill now as an emergency measure to help out our farmers. There are many things I would like to see go in this bill and there are some things I would like to see go out. It does not please me more than it does you, but I am standing up here against my own judgment and my own wishes to vote for something I think we can pass if we pass it in this way.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MANN. Mr. Chairman, I can not find fault with the genial gentleman from Texas [Mr. GARNER] in seeking to push in an entering wedge on the Republican side of the House. The gentleman from Texas voted for the emergency tariff bill when it passed the House. He voted for the antidumping bill when it passed the House, but when they are combined he is violently opposed to it. [Applause on the Republican side.] I have been able at times myself to make flops, but I never was able to make one so instantaneously and so completely as the gentleman from Texas on this bill. [Applause on the Republican side.] I thought this bill ought to have been passed under a rule without the pretense of giving the privilege of amendment. It is an emergency measure. The Republicans of the last House voted for the tariff features of it. The Senate passed it. It was agreed to after a conference and sent to the President, who vetoed it. I think it is the proper thing for the Republicans of this House to pass it without the dotting of an "i" or the crossing of a "t." [Applause on the Republican side.] I would have done it directly by a rule, but my distinguished friend from Michigan, who has more faith in the lack of the talking ability of the House than I have, thought that he could pass this bill through the House in one day, in about one hour's time, without discussion. Well I knew that that could not be done. Now, he has practically told the House the situation. It is not the House yielding to the Senate. The House prepared this bill in almost all its features. It is a proposition practically that the Senate will yield to the House [applause on the Republican side]; that they will take a bill which we passed before, if we pass it again in the same way we agreed to in the conference report before, and they will attempt to hurry the thing along, and in this case time is of the very essence of this business. Now, for myself I do not think the amendment of the gentleman from Minnesota is important. I am one of those who believe that putting 30 cents a bushel duty on flaxseed will not add very materially to the cost of flaxseed in the United States during the next six months, and the flaxseed is not now owned by the farmer. The flaxseed is now owned in the main by the manufacturer of linseed oil. There will be no more linseed shipped into the United States with this provision in the tariff law than there will be if it is stricken out. There will not be a cent of increase in the price of linseed oil or a decrease in the price whether this amendment is adopted or not. Our duty now to the country is to pass the bill in the form in which it was reported to the House by the Ways and Means Committee. [Applause on the Republican side and cries of "Vote!" "Vote!"]

Mr. GARRETT of Tennessee. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Tennessee desire to be heard on this amendment?

Mr. GARRETT of Tennessee. I do.

Mr. Chairman, I think gentlemen upon that side of the House have overlooked one very important condition which existed when this bill was considered before and when they now urge that it should be passed precisely as it was then prepared, namely, they have overlooked the fact that not one of them, either here or in the other body, at that time had the slightest expectation that this bill would ever become a law. Therefore, the bill was permitted to be loosely drawn. I shall have occasion in a little while to point out some other mistakes in this measure, as I view it, and that ought to be corrected. It was permitted to be loosely drawn. Why? Because, in the first instance, it was never believed it would go further than this House. The attitude of a gentleman who was in a fine strategic position, as it was then thought, and as it was announced in the newspapers, led the country to believe that it would not be permitted to go to a vote in the Senate, but that it would go to sleep along with the magnesite bill and other bills passed by that Congress at a former session. But after that view was abandoned, after it was found the political pressure was too strong for that gentleman, and the measure was passed, there was still no expectation it would become a law, because it was known upon that side, as upon all sides, that there sat then in the Executive office a man of courage and conviction, who would protect you from your own folly. [Applause on the Democratic side.] Now, since that was passed, since the bill is to become a law, as the gentleman from Illinois [Mr. MANN] has said, why is it that you can not correct the mistakes which you yourselves admit you then made? With 170 majority here, with 20 or more majority in the Senate, you admit here, in the face of all Israel, that you are incompetent to correct your own admitted blunders and errors. [Applause on the Democratic side.] God help the country for the next two years! [Applause on the Democratic side.]

Mr. YOUNG. Mr. Chairman, I move that all debate on the amendment be now closed.

The CHAIRMAN. The question is on the motion of the gentleman from North Dakota.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Minnesota [Mr. NEWTON].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

4. Corn or maize, 15 cents per bushel of 56 pounds.

Mr. OLDFIELD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. OLDFIELD offers the following amendment: Page 2, line 5, strike out the paragraph.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

5. Beans, provided for in paragraph 197 of the act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913, 2 cents per pound.

Mr. LITTLE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. LITTLE: Page 2, line 7, after the word "beans" insert the word "lentils."

Mr. LONGWORTH. Mr. Chairman, I make the point of order against the amendment. It is an additional subject.

The CHAIRMAN. The Chair sustains the point of order.

Mr. WINGO. Mr. Chairman, I make the further point of order that it violates the instructions the gentleman has. [Laughter.]

The Clerk read as follows:

6. Peanuts or ground beans, 3 cents per pound.

Mr. LITTLE. Mr. Chairman, I want to be heard on the point of order.

The CHAIRMAN. The Chair would suggest that another paragraph has been read.

Mr. LITTLE. I would not ask for it if I did not think I was right about it.

The Clerk read as follows:

12. Cattle, 30 per cent ad valorem.

Mr. HUDSPETH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HUDSPETH: Page 3, line [illegible] at the end of said line, add the following: "Hides, dried, salted, or pickled, 12½ per cent ad valorem."

Mr. LONGWORTH. Mr. Chairman, I make a point of order on that.

The CHAIRMAN. The Chair sustains the point of order, and the Clerk will read.

Mr. LITTLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LITTLE. What was the point of order? It was not told to me. I am entitled to know.

The CHAIRMAN. The Chair has sustained the point of order.

Mr. LITTLE. A parliamentary inquiry. What was the point of order the Chair sustained? This is no place for a steam roller. [Laughter.] What is the point of order?

The CHAIRMAN. The gentleman from Texas [Mr. HUDSPETH] offers an amendment that is in violation of the rules of the House in the consideration of a tariff bill. The gentleman from Ohio [Mr. LONGWORTH] made the point of order.

Mr. LITTLE. What point of order did he make?

The CHAIRMAN. That it was in violation of paragraph 3 of Rule XXI.

Mr. LITTLE. He did not say anything of the kind.

The CHAIRMAN. The Chair knows the rules of the House.

Mr. HUDSPETH. Mr. Chairman, I understood the gentleman from Ohio to say that he reserved it.

The CHAIRMAN. No; he has made it.

Mr. LONGWORTH. I said I was willing to withhold it, but in the meantime the Chair sustained it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

14. Fresh or frozen beef, veal, mutton, lamb and pork, 2 cents per pound. Meats of all kinds, prepared or preserved not specially provided for herein, 25 per cent ad valorem.

Mr. OLDFIELD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLDFIELD: Page [illegible] line 6, strike out the paragraph.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

Mr. OLDFIELD. Mr. Chairman, I want to call attention to the fact that there were 50,000,000 pounds of beef imported and 130,000,000 pounds exported, and of pork 105,000 pounds imported and 900,000,000 pounds exported. In other words, there was over four hundred times as much pork exported last year as was imported and about three times as much beef exported as imported, and therefore it would be absolutely impossible for this amendment to help any cattle growers or hog growers in this country.

But, gentlemen, it will help the packers of the country, because they will add the tariff to the cost of the product. I think you are treating unfairly the consumers of this country when you line up here and help the Packers' Trust, who do not need help, and you know you are helping them. Who ever heard of an emergency confronting the packers of the country? There is no emergency confronting the packers of this country. Yet you are going to give them from $200,000,000 to $300,000,000 in tariff taxes at the expense of the consumers of the country. You ought not to do it, and I protest against it. [Applause.]

Mr. HUDSPETH. Mr. Chairman, I rise in opposition to the amendment.

Mr. YOUNG. Mr. Chairman, I move that the debate on this paragraph close in five minutes.

The CHAIRMAN. The gentleman from North Dakota moves that the debate on this paragraph close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. HUDSPETH. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Arkansas [Mr. OLDFIELD].

The gentleman states that this duty of 2 cents a pound would not aid the cattlemen. As I understood the gentleman, he stated that the duty of 2 cents a pound would not aid the cattle industry. Is the gentleman aware of the fact that the beef packers of this country went down to South America, where they have their abattoirs and their refrigerating plants, and brought up 15 steamship loads of beef at one time? Then beef steers of the Northwest were selling at 9 and 10 cents a pound, while to-day they are selling for 5 and 6 cents a pound. Will the gentleman maintain that a duty that will keep out 2,500,000 carcasses of frozen mutton and lamb will not help the sheep industry?

Mr. OLDFIELD. I will say this in reply to that: I can not see how this duty will help the cattle growers, when we export three times as much as we import and meet those same products of South America in the markets of the world. If we can do that, then this tariff will not help the cattle grower.

Mr. HUDSPETH. Then does the gentleman want frozen beef and frozen mutton that has been shipped here to be shipped back to England or Australia or New Zealand, as my colleague from Texas [Mr. CONNALLY] suggested a while ago in regard to wool? The gentleman made the statement that we ought to ship the wool that has been shipped here back to Australia and England and Germany and thereby relieve the wool industry of Texas.

Mr. OLDFIELD. You want to help the packers.

Mr. HUDSPETH. No. I want to help the farmers who raise the beef. Do not make any mistake about that. I want to help the farmers in Texas. The packers are taking care of themselves. I am not concerned about them.

I want to ask a question of my good friend from Texas [Mr. CONNALLY], who made the statement a while ago as to this bill, that the few Democrats who have the temerity to stand here and ask for equal protection for the raw products of the farm, although they were so instructed to act by their constituents, are misrepresenting the farmers. How many telegrams has the gentleman received from his district protesting against this bill? It has been up for four months.

Mr. CONNALLY of Texas. I have received as many protesting against it as in favor of it.

Mr. HUDSPETH. If you have not, you ought to go back to them and consult with them. I will tell my good friend that I am very fond of him because we have been friends for 20 years.

Mr. CONNALLY of Texas. I will say to the gentleman that I will be able to take care of my own interests.

Mr. HUDSPETH. I understand that. But have the farmers told you so? I say no.

Mr. CONNALLY of Texas. I will say to the gentleman that I have a great many more farmers in my district than he has in his. [Laughter.]

Mr. HUDSPETH. Oh, I have a district so big that you could put your district in a horse pasture of mine. [Laughter.] The gentleman says this will deceive the farmer. The gentleman wants to stand out on the so-called old Democratic tradition of free raw materials, I presume, and go to the slaughter again, as we did last fall? I want to perpetuate Democratic success.

Mr. CONNALLY of Texas. You said you wanted to ask me a question.

Mr. HUDSPETH. I have not propounded it yet. I have just started. The slump in the Democratic vote in Texas last fall was something like 75,000. Was it the tariff issue or what? I want to ask the gentleman this: You would vote for an ad valorem duty, would you not, on the manufactured article of 35 per cent under the Underwood bill? Then, what will you say to the farmer who produces sheep down there? Will you favor the placing of a duty on wool?

The gentleman can make a broad statement here with nothing to back it up that the farmer is being deceived, but I want

to say to him that he ought to go back and talk to the farmers in his district. I want the gentleman to answer my question about whether he would vote for a tariff on woolen and cotton goods and leave the farmers' raw product unprotected, and he has failed to answer. [Applause.]

The CHAIRMAN. The question is on the motion of the gentleman from Arkansas to strike out the paragraph.

The question being taken, the motion was rejected.

The Clerk read as follows:

15. Cattle and sheep and other stock imported for breeding purposes shall be admitted free of duty.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McLAUGHLIN of Michigan: Page 3, line 11, at the end of line 11, add the following:

"*Provided*, That no such animal shall be admitted free unless pure bred of a recognized breed and duly registered in a book of record recognized by the Secretary of Agriculture for that breed: *And provided further*, That the certificate of such record and pedigree of such animal shall be produced and submitted to the Department of Agriculture duly authenticated by the proper custodian of such book of record, together with an affidavit of the owner, agent, or importer that the animal imported is the identical animal described in said certificate of record and pedigree. The Secretary of Agriculture may prescribe such regulations as may be required for determining the purity of breeding and the identity of such animal: *And provided further*, That the collectors of customs shall require a certificate from the Department of Agriculture stating that such animal is pure bred of a recognized breed and duly registered in a book of record recognized by the Secretary of Agriculture for that breed.

"The Secretary of the Treasury may prescribe such additional regulations as may be required for the strict enforcement of this provision."

Mr. LONGWORTH. Mr. Chairman, I make the point of order against the amendment that under the rulings quoted with approval by the Chair to-day against administrative provisions in an amendment it stands upon exactly the same basis as the amendment offered last year by the gentleman from Minnesota [Mr. NEWTON]. It provides new machinery of administration.

Mr. McLAUGHLIN of Michigan. May I ask the gentleman from Ohio a question?

Mr. LONGWORTH. Yes.

Mr. McLAUGHLIN of Michigan. Does the objection apply to the last part of the amendment or to all of the amendment?

Mr. LONGWORTH. My point of order applies to all of the amendment which provides for administration.

The CHAIRMAN. The Chair is inclined to think that the first part of the amendment is not subject to the point of order.

Mr. LONGWORTH. It is very difficult for me, after having simply heard the amendment read, to designate the part which is objectionable, except by describing it.

The CHAIRMAN. The latter half of the amendment provides that the Secretary of Agriculture may prescribe such regulations as may be required, and so forth. It would seem to the Chair that up to that point the amendment is in order.

Mr. GARNER. Let me suggest to the gentleman from Ohio, in the interest of expedition of the bill, that by the time the amendment is again read and the point of order discussed we could dispose of it by making it against the whole amendment.

Mr. LONGWORTH. I am simply attempting to enforce the rule cited by the Chair.

Mr. GARNER. If any part of the amendment is subject to a point of order, the point of order will lie against the whole amendment.

Mr. LONGWORTH. I withdraw my point of order and make it to the last paragraph of the amendment.

Mr. GARNER. I make the point of order against the entire amendment.

The CHAIRMAN. The Chair thinks the first part of the amendment is not subject to the point of order.

Mr. GARNER. But the gentleman from Michigan has offered an amendment. Do I understand that the Chair is going to lay down the rule that if a point of order is made against the entire amendment, a part of the amendment can be segregated and held to be not subject to the point of order?

The CHAIRMAN. The Chair does not make that ruling. The Chair sustains the point of order.

Mr. McLAUGHLIN of Michigan. I reoffer the amendment with the objectionable part of it eliminated. I will strike out the last part of it and offer the first part.

The CHAIRMAN. The Clerk will read the amendment now offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. McLAUGHLIN of Michigan. Page 3, at the end of line 11, add the following:

"*Provided*, That no such animal shall be admitted free unless pure bred of a recognized breed, and duly registered in a book of record recognized by the Secretary of Agriculture for that breed: *And provided further*, That the certificate of such record and pedigree of such animal shall be produced and submitted to the Department of Agriculture, duly authenticated by the proper custodian of such book of record, together with an affidavit of the owner, agent, or importer that the animal imported is the identical animal described in said certificate of record and pedigree."

Mr. GARRETT of Tennessee. I reserve a point of order on the amendment as read, and direct the attention of the gentleman from Ohio to the Anderson ruling as to administrative features.

Mr. LONGWORTH. If I were disposed to be very technical in my construction of the rule I might make the point of order, but I do not.

Mr. GARRETT of Tennessee. I have no desire to press the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. McLAUGHLIN of Michigan. I wish to say that the amendment I have offered if adopted will write into this law a provision that has been a part of every tariff law for a generation, permitting animals to be brought in for breeding purposes provided only that they are pure bred and registered. If we should pass the bill as it came from the committee, we would be taking a backward step, going back to where we were a generation ago. I have talked with many members of the Ways and Means Committee, and they admit that the provision that I have suggested should be inserted and was omitted by an oversight. They admit that it ought to be a part of the law. It seems to me the amendment would not be a violation of the understanding which the Committee on Ways and Means have had with the Finance Committee of the Senate. It would seem to be unobjectionable, and I think it would be a mistake to pass the bill without it.

Mr. GARNER. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. GARNER. I agree with the gentleman, coming as it does from the gentleman who is an old timer, but does the gentleman have any hope of having his amendment adopted?

Mr. McLAUGHLIN of Michigan. Oh, yes; I believe in the good judgment of this side of the House.

Mr. GARNER. I hope the gentleman can get next to it, for nobody else has been able to do it. [Laughter.]

Mr. MANN. The language proposed by the gentleman from Michigan is the language in the existing tariff law?

Mr. McLAUGHLIN of Michigan. Yes; my amendment is printed and pasted on the sheet. It is taken bodily out of the Underwood tariff law. A few moments ago I made an examination and saw that it was in the Payne tariff law.

Mr. MANN. I think the provision was one inserted in the Senate in connection with putting a tariff on certain animals. I take it that it was not the intention of either the Senate or the conference committee to make any change in existing law in that particular, but merely to provide that breeding animals should not be put in the list. I do not see any objection to adopting it.

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. FORDNEY and Mr. YOUNG) there were 76 ayes and 99 noes.

So the amendment was rejected.

Mr. LITTLE. Mr. Chairman, I move to strike out the last word. Gentlemen of the committee, a similar mistake that the gentleman from Michigan has directed attention to has been made in another place, but I was not able to call attention to it. The tariff law of 1913 had section 197, which said that beans and lentils not especially provided for, 25 cents a bushel of 60 pounds. In this bill, paragraph 5 reads:

5. Beans, provided for in paragraph 197 of the act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913, 2 cents per pound.

The "item" in this paragraph is the amendment of the act of 1913. My amendment to that "item" is therefore in order, and should have been voted on.

The first one said beans and lentils, and this amendment was undoubtedly intended to say beans and lentils, 2 cents a pound; but there seems to have been a clerical error, for they omitted the word "lentils."

Mr. GREEN of Iowa. I want to say that that very question was discussed elaborately in committee and by the drafting board.

Mr. LITTLE. I suspected the drafting board had something to do with it. They say beans and lentils are practically the same. When you charge beans 2 cents a pound, $1.20 a bushel, tariff, and lentils only 25 cents a bushel, you have turned the import trade over to the lentil growers, and they will call every bean a lentil, and you have not got any tariff on beans. Beans and peas are as much alike as are beans and lentils. If you

pass this bill, it will put a tariff of $1.20 on beans and the act of October, 1913, will let lentils in at 25 cents a bushel. What good does it do to tell the bean grower that you have put a tariff on beans when you let the lentils come in at 25 cents a bushel? It is just poppycock. [Laughter and applause.] The old law will give the lentils a good advantage. If you wish to amend the act of 1913 give beans and lentils the same rate as it did. Nobody who has ever lived in a lentil-producing land would make this mistake. Such errors as this should not be permitted to get by. Of course, there are mistakes in all large bills, but there is no excuse for such as this. It will nullify protection on this product.

I made the suggestion and was told by one Member that probably the conference committee would put it in. I hope so, for the consistency of the Republican tariff

Mr. JOHNSON of Mississippi. Mr. Chairman, I arise to oppose the amendment of the gentleman from Kansas. While I realize that whatever I may say here to-day touching this bill will not prevent its passage, because the Republicans have 303 Members and the Democrats have only 132, yet I appreciate the duty that devolves upon the Democrats to expose the deception of the Republican Party.

The bill before the House originally carried the name of Congressman FORDNEY, the distinguished Republican of Michigan, as its author. The Republicans have decided it would be better to place the name of a Republican Congressman who represented a farming constituency as author of the bill, so they have substituted Congressman YOUNG, of North Dakota, who is supposed to be the author of the bill—a violent supposition to indulge.

The Republicans intend by this bill to let the people to believe that this legislation is intended to help the farmers, when, as a matter of fact, there is no way by which the farmer can derive any benefit from it, but he must suffer if this bill is passed. It is claimed to be an emergency measure and to prevent the dumping of cheap farm products of Europe on the American market.

Let us see how this will protect the farmer: Practically all farm products of 1920 have passed into the hands of the speculators and out of the hands of the man who produced them on the farm. It is proposed by this bill to levy a high protective tariff on corn, beans, potatoes, onions, rice, wheat, cotton, wool, oils, lemons, cattle and the by-products of cattle, sheep, sugar, butter, cheese, and milk. This bill will protect the big packers, and it will give them an opportunity to raise the prices of beef, mutton, pork, and other commodities handled by them.

By this bill, the proposed protection is to last six months from the day the bill goes into effect, which will mean its termination next October. Now, granting that it is a good bill, and that it might help the farmers if continued, which is not true, as a matter of fact at the very time the 1920 crop is about to be harvested and placed upon the market, the law expires and leaves the farmers' crops again at the mercy of the speculator.

According to the Department of Agriculture, we have on hand in this country at this time millions of bushels of corn and wheat for which we can not find a market. There are 9,000,000 bales of cotton in the United States, practically all of which is held by speculators, for which there is no market. There are millions of bushels of peanuts that can not be sold for the cost of production. Now, what is the reason? Is it on account of competition with foreign countries? Certainly not! This country exports two-thirds of its products, and unless there is a market in Europe for our products, the law of supply and demand in this country will force the prices downward.

If Europe was to-day able to buy our farm products cotton would bring 50 cents a pound and corn and wheat and peanuts would bring proportionate prices. The low rate of foreign exchange, together with the chaotic economic conditions, has rendered Europe unable to buy our products, and this protective tariff, which deters and discourages Europe from trading with us, will not only not help to increase the price of our products but will furnish an excuse for those who have already purchased the 1920 crop to raise the price of these products, thereby increasing the cost of living. Only a few days ago, on the floor of the House, the Republicans said that Germany was bankrupt, that her factories were idle, that her people were in a revolutionary state of mind, and the Republicans predicted dire disaster for her, yet you claim to-day that the American markets are being threatened by the competition of this bankrupt nation. The imports from Germany to this country last year amounted to practically nothing. The exports of this country to Germany were very heavy indeed. You who are interested can read the report from the Bureau of Foreign and Domestic Commerce and see that German imports to this country recently have been negligible.

The President in his message to Congress the other day said he wanted this country to get back to normalcy. The Republicans have been in control of Congress for two years, although there was a Democratic President. The Republicans had full power to bring the country back to "Republican normalcy," and you have been bringing it back slowly ever since you came into power. When you took control two years ago cotton was worth 40 cents a pound; corn was selling for a dollar and a half to $2 a bushel; cattle were selling for 10 cents a pound on foot; and to-day you can not give the hides away. Do not be discouraged; you are rapidly bringing the country back to "Republican normalcy."

What is "Republican normalcy"? It means the establishment of soup houses and bread lines in the large industrial centers to feed the unemployed and the hungry; it means the filling of the country with tramps who roam from place to place seeking employment; it means the fattening of the purses of the rich and the increased burdens of the toilers of the country. This bill ought to be known as a bill to place a tax upon the backs and bellies of the American poor. With 4,000,000 idle men in the United States, as we are to-day informed there are, with wages being reduced every day, you will soon have the country back to "Republican normalcy."

When you came into power two years ago wages were higher than ever before in the history of this country. The workers who once lived in poverty were able to purchase good homes, provide themselves and families with good clothes, and were able to send their children to school and to enjoy some of the good things of this life. Since the Republicans have come into control it has been their constant effort to reduce wages, impoverish the workers, reduce the farmers' products, and to protect the manufacturers and moneyed interests of the country. You took $600,000,000 of the peoples' money and gave it to the railroads for nothing. There is no emergency for this iniquitous piece of legislation. It is in the interest of those who control the farm products after the products leave the farm. The farmer will get no benefit from it. This bill ought to be defeated.

It is claimed that this is an emergency bill. There is no emergency for such foolish legislation.

There is an emergency, however small though it may seem, yet in its consequences it is very grave. I hold in my hand a petition signed by more than a half thousand white women, employees of the Treasury Department, who say in their petition they are informed that the appointment of a Negro as Register of the Treasury is being considered.

These women are from the North, South, East, and West, and are Republicans and Democrats. These self-respecting white women say they are dependent upon this employment for support. They protest the appointment of a Negro to be their boss or supervisor and plead with us to prevent it. No self-respecting white woman will work under the supervision of a Negro.

The bill before the House is cited as an antidumping bill to prevent the dumping of foreign products on the American markets. If you Republicans want to do a real service to the people of this country, you should abandon this foolish bill and prevent the dumping of a Negro as Register of the Treasury, where he will be empowered to dominate the white employees.

Mr. KNUTSON. Mr. Chairman, I make the point of order that the gentleman is not discussing the amendment.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

16. Cotton having a staple of 1⅛ inches or more in length, 7 cents per pound.

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the paragraph.

Mr. HUMPHREYS. Mr. Chairman, I offer a preferential motion. I move, in line 12, page 3, to strike out the word "three" and insert the word "one."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 3, line 12, strike out the word "three" and insert in lieu thereof the word "one."

Mr. HUMPHREYS. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

Mr. YOUNG. I shall have to object to that.

Mr. HUMPHREYS. Mr. Chairman, on yesterday the gentleman from Iowa [Mr. GREEN] and myself failed to agree on a question of fact as to whether or not the cotton mentioned on top of page 22 of the report in the schedule prepared by the Bu-

reau of Markets represented one and three-eighths or one and one-eighth cotton. I said one and one-eighth and the gentleman said one and three-eighths. I have a letter from the bureau written at my request, which is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF MARKETS,
Washington, D. C., April 15, 1921.

Hon. BENJAMIN G. HUMPHREYS,
House of Representatives.

DEAR MR. HUMPHREYS: In confirmation of your telephonic conversation with this bureau yesterday afternoon, I wish to advise that the statements, in reference to imports of staple cotton into the United States prepared for the use of the committee having in charge the emergency tariff bill, were based upon all such cottons which have a staple length of 1⅛ inches or longer. It is probable that if the committee should place the minimum length of staple which the bill carries at 1⅛ inches, at least half of the imports of staple cotton into the United States would continue to come in free of duty.

As used in the Department of Agriculture and generally throughout the American cotton trade, the term "staple cotton" may be defined as any cotton with a staple length of 1⅛ inches or longer.

Very truly, yours,

CHESTER MORRILL,
Acting Chief of Bureau.

Then I have the following telegram from Mr. H. G. Hester, secretary of the New Orleans Cotton Exchange, who knows more about the subject than anybody in the United States, in my opinion; from this you will note that less than one-fourth of the cotton imported last year was 1⅛ staple:

NEW ORLEANS, LA., *December 22, 1920.*

Hon. B. G. HUMPHREYS,
House of Representatives, Washington, D. C.:

Your wire answer delayed owing to time consumed investigating data. Arizona produces most of the cotton 1⅛ or better in United States. Small amount produced in Mississippi Delta. Sea-island crop grown on Atlantic seaboard also of that length or longer. No exact figures, but estimated production last year of 1⅛ or over about 50,000 bales. This year will probably be 75,000 to 80,000 bales. While the imports of Egyptian cotton last year amounted to 485,000 bales, most of it was inch and eighth to inch three-sixteenths. It is estimated that not more than 150,000 of the Egyptian cotton imported was inch and three-eighths or better. * * *

H. G. HESTER, *Secretary.*

You have made a mistake in this item. I realize that you intended to make it 1⅛, and I think you should correct it in spite of the Senate. There can be no objection to putting it in for fear of the Senate, because when this bill reached the Senate last year the Senate struck out three-eighths and put in one-eighth. In order to get this bill where it will be certain to be approved by the Senate, I hope you gentlemen will consent to put in this amendment which the Senate themselves put in, making it an inch and one-eighth instead of an inch and three-eighths. You gentlemen have been charged with writing a buncombe bill for the purpose of fooling the farmer. If that is true you fooled me last December, because I thought you were in earnest, and I voted for the bill; but as it is limited in this bill to 1⅛ cotton, it applies only to 50,000 bales produced in the United States out of more than 12,000,000 bales. If you refuse now to correct it, then, so far as the cotton farmer is concerned, it will be buncombe. If you will make it 1⅛, which is the line which separates the long staple from the short staple, it will amount to something, from the Republican standpoint, because it will furnish protection and it will furnish revenue in sufficient amount to satisfy any Democrat. I hope gentlemen will consider that——

Mr. GREEN of Iowa rose.

Mr. HUMPHREYS. Just one moment. Let us see now about the consumer, and I shall talk now to my Democratic friends. Who consumes long-staple cotton, according to the report? "Automobile tires, silk hosiery"—they make silk out of this long-staple cotton now—"and silk underclothes." These are the products into which long-staple cotton enters according to the Bureau of Markets. Can you gentlemen, in your solicitude for the consumer, refuse to support an amendment which the cotton producers believe will enable them to sell their cotton simply because you wish to protect the consumers when those consumers are those who ride in automobiles and wear silk stockings and silk underwear? Would it not be a tax on luxuries on those best able to pay?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUMPHREYS. I hope the amendment will be agreed to.

Mr. YOUNG. Mr. Chairman, I move that all debate close on this paragraph and all amendments thereto in five minutes.

The motion was agreed to.

Mr. GARRETT of Tennessee. Mr. Chairman, it is practically impossible to intelligently discuss this paragraph without drawing the attention of the committee to the succeeding paragraph. The succeeding paragraph had no discussion in the House when the bill was up before and as far as I observed none in the Senate. That section is the compensatory clause. Up until a little while ago I had some hope that when this paragraph was reached there might be some intelligent consideration given to some amendments of it. If there is a joker in this matter I at least would like to enjoy the humor of it while it is being perpetrated and be somewhat prepared for the sting of it after it has been consummated. So far as the duty upon the one and three-eighths cotton is concerned, it amounts to nothing. I do not know whether the gentleman from Mississippi [Mr. HUMPHREYS] put the figures into the RECORD or not, but gentlemen who are not familiar with cotton—and I do not profess to be thoroughly familiar with it—seem to think of long-staple cotton without regard to the grades in that long staple, which range from 1⅛ inches up. These tables sent here by this Wallace board, or the Bureau of Markets, are of no value, and by the way, I pause here long enough to remark that it is somewhat peculiar that this committee turned from the Tariff Commission to a bureau of another department of the Government to obtain its information on this bill and its arguments in favor of it. The table is worth nothing, so far as the 1⅛-inch cotton is concerned, because it deals with all long-staple cotton, which ranges from 1⅛-inch up. I think there were about 50,000 bales of 1⅛-inch cotton grown in the country in 1919 and probably 75,000 bales in 1920. The importations are something like 150,000 bales of 1⅛-inch cotton. Here is what I want to know. This next paragraph provides—and I ask the attention of the gentleman from North Dakota now—for an addition of 7 cents per pound to the duties now imposed upon manufactures of which cotton of the kind provided for, and so forth, is the component material of chief value. What will that do? What is the equivalent of that in ad valorem? Let me direct attention to another thing. It is said that there will be no changes in this bill either here or in the Senate. The same principle is carried out in paragraph 19 which provides for a compensatory duty upon wool and hair of the kind provided for in paragraph 18 except that you do not say there "manufactures of wool and hair." I assume that you intended to. I assume that if any attention had been given to these compensatory clauses at the time the bill was written you would have written both the same. I dare say that when they come to study the administrative features of this bill there will be changes in the compensatory provisions both of cotton and of wool. But may I ask now, what does that compensatory duty do?

Mr. GREEN of Iowa. Does the gentleman want an answer?

Mr. GARRETT of Tennessee. Yes.

Mr. GREEN of Iowa. It does not give the manufacturer sufficient compensation to make up for the duty imposed on the raw material, for the reason that there is a loss of somewhere from 10 to 20 pounds out of each hundred pounds in the raw cotton in its manufacture before it gets into the manufactured goods. Therefore there is not sufficient compensation to the manufacturer given by fixing the compensatory duty the same as on the raw cotton. The manufacturer gets a little the worst end of it.

Mr. GARRETT of Tennessee. That, I presume, is why the manufacturer wrote to the gentleman from Massachusetts [Mr. FAIGE], and why he had the letter read into the RECORD when this bill was up last session, that they would better close down their factories than to try to operate under the proposed law. What is it going to do to the consumer?

Mr. GREEN of Iowa. The consumer will never notice it. Does the gentleman have any idea how many yards of this material ordinarily is used in the manufacture of a tire?

Mr. GARRETT of Tennessee. Yes.

Mr. GREEN of Iowa. Then the gentleman would not have any idea that the consumer would notice it.

Mr. GARRETT of Tennessee. But it was put on for some purpose.

Mr. GREEN of Iowa. It was not put on on account of the consumer. The gentleman understands that.

Mr. GARRETT of Tennessee. Oh, of course it was not put on on account of the consumer; not at all. I am particularly interested, and that is why I say if there is a joker I would like to get the humor of it now before feeling the sting of it after it is consummated.

Mr. GREEN of Iowa. The gentleman will not find any joker——

Mr. GARRETT of Tennessee. Did the gentleman from Iowa consider this matter through the several graduations of duty imposed on cotton?

Mr. GREEN of Iowa. Yes.

Mr. GARRETT of Tennessee. Now, it begins with 8 per cent ad valorem. I believe that is the first duty laid upon any cotton written in the present existing law.

Mr. GREEN of Iowa. No; the gentleman is in error. It begins on cloth with 7½.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

17. Manufactures of which cotton of the kind provided for in paragraph 16 is the component material of chief value, 7 cents per pound, in addition to the rates of duty imposed thereon by existing law.

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word. I have before me the existing law. It begins with cotton thread and carded yarn; that is where it begins. The lowest duty is 5 per cent. Now can the gentleman from Iowa inform me what under this specific duty that is levied will be equivalent in ad valorem?

Mr. GREEN of Iowa. If the gentleman had had anything to do with the cotton schedule he would know that it involves a long calculation——

Mr. GARRETT of Tennessee. Since I have had nothing to do with that I am asking the question, in my ignorance seeking enlightenment.

Mr. GREEN of Iowa. Nobody on earth can tell where it begins exactly. This long-staple cotton is used only in numbers beginning about 60, sometimes mixed in with shorter staples in No. 60 thread.

Mr. GARRETT of Tennessee. I know; I——

Mr. GREEN of Iowa. Then on up long staple goes to No. 200 thread, above which none is manufactured in this country.

Mr. GARRETT of Tennessee. I know cotton yarn is spun from roving, and I know that the Underwood bill begins to lay a duty on cotton yarns, and that the first duty it lays is 5 per cent. Then the duty is increased gradually under the compensatory theory upon scientific lines, just as they did in the Payne bill. It is gradually increased as it goes along. And what I am particularly anxious to know is, What the specific duty of 7 cents a pound means in ad valorem; that is, what will a duty of 5 per cent ad valorem on the first cotton thread defined in the Underwood bill amount to in this bill?

Mr. GREEN of Iowa. If the gentleman is acquainted with the cotton schedule at all——

Mr. GARRETT of Tennessee. Well, let us assume that I am not and that I am asking the gentleman how much it will amount to.

Mr. GREEN of Iowa. The kind of thread that takes that duty is not manufactured out of this kind of cotton, and it does not apply to that kind of yarn at all, except some coarse yarn of long staple may be used in tire fabrics.

Mr. GARRETT of Tennessee. It does not?

Mr. GREEN of Iowa. No.

Mr. GARRETT of Tennessee. Why did the gentleman bring in a report from the Bureau of Markets and put it before the House as a reason why this bill ought to pass? This report of the Bureau of Markets says this is one of the things in which it is used.

Mr. GREEN of Iowa. That is, when you get your No. 60 thread. The 5 per cent applies to numbers up to about 10, as I remember.

Mr. GARRETT of Tennessee. All right; we will pass that. Now, what would this apply to?

Mr. GREEN of Iowa. It would apply, if mixed in with other cotton, at about No. 60, and when you get up to No. 120 it is all made of long-staple cotton. Now, if the gentleman will permit, I will tell him something about that. The fine thread, the fine goods—goods some of them as long as this room in length would weigh a single pound—are made out of long-staple cotton.

Mr. GARRETT of Tennessee. Now, what is the ad valorem on that?

Mr. GREEN of Iowa. The long-staple cotton is sometimes mixed with the other cotton, just about No. 60, and when you get up to No. 120 it would all be long-staple cotton.

Mr. GARRETT of Tennessee. What is the ad valorem on that under the Underwood Act?

Mr. GREEN of Iowa. The Underwood Act does not go by even numbers all through. When you get up to No. 99 the rate is 27½ per cent ad valorem.

Mr. GARRETT of Tennessee. That would include this?

Mr. GREEN of Iowa. Yes.

Mr. GARRETT of Tennessee. What effect would the adding of 7 per cent a pound have on the ad valorem?

Mr. GREEN of Iowa. The yarn of that number would be worth about a dollar a pound, consequently 7 per cent would be ad valorem.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARRETT of Tennessee. I ask to proceed for five additional minutes.

Mr. YOUNG. I think the gentleman has already talked about 10 minutes.

The CHAIRMAN. The gentleman from Tennessee [Mr. GARRETT] asks unanimous consent to proceed for five minutes. Is there objection?

Mr. YOUNG. I think we will have to object. I move that all debate on this paragraph be now closed.

The motion was agreed to.

Mr. GARRETT of Tennessee. Mr. Chairman, I withdraw my amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

18. Wool, commonly known as clothing wool, including hair of the camel, angora goat, and alpaca, but not such wools as are commonly known as carpet wools: Unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound. Unwashed wools shall be considered such as shall have been shorn from the animal without any cleaning; washed wools shall be considered such as have been washed with water only on the animal's back or on the skin; wools washed in any other manner than on the animal's back or on the skin shall be considered as scoured wool. On wool and hair provided for in this paragraph, which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.

Mr. COLLIER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. COLLIER: Page 3, line 18, strike out paragraph 18.

Mr. COLLIER. Mr. Chairman, I am one of those who believe that wool should be upon the free list. Wool is the arch, the turret, and foundation stone of protection. It is the storm center of nearly every tariff bill, and it was the one upon which the Payne-Aldrich bill split and met its fate. This bill will not only largely increase the price of clothing to the American people by placing a tax of three times the amount of the tax on the raw wool but in addition, by reason of the fact that the finer wools, not being raised in this country, will seek that market which is not a protected one, our manufacturers will not have the selection of those wools.

Gentlemen, why is it that though this tax on wool increases the price to our manufacturers, yet every manufacturer who came before us did not ask, but demanded, this tax on wool? Why was the American manufacturer willing to be vexed with this tax and take his chances on getting the compensatory duty which you placed in section 19? How is such sacrifice, such generosity, to be explained? It is because there is an alliance between the woolgrower and the manufacturer, because everybody except the Republican majority know that the tax on agricultural products is nothing but a delusion and a sham.

My friend from Iowa [Mr. GREEN] is crying and begging for a tax on corn, when one year ago his own State of Iowa raised eleven times as many bushels of corn as have been imported into this country since the Civil War, a period of nearly 60 years. But the manufacturers know that if you destroy the link between agriculture and manufacture it can be done only in one way, and that is by placing wool on the free list.

I feel sorry for my friends from Texas and from the West who have invested their fortunes in sheep. But wool is merely a frontier proposition. We all know that the history of sheep growing in this country and in Europe bears out that statement. Why, at one time nearly all the sheep in the United States were in New England. Then Pennsylvania became the great sheep-raising State, but as the lands in Pennsylvania increased in value the sheep industry drifted westward, and Ohio and a few of the Central States became the great woolgrowing section of the United States. When the farmers found that by the enhanced value of their lands $40 or $50 could be made upon an acre, they were not willing to turn that land into sheep pastures. And in the far West now, in Wyoming, Montana, Utah, Texas, and Arizona, are the only large sheep-raising sections of this country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. Mr. Chairman, I move that all debate upon this paragraph and all amendments close now.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLLIER].

Mr. BLACK. Mr. Chairman, I offer a preferential amendment.

The CHAIRMAN. The gentleman from Texas offers a preferential amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 3, line 20, after the word "wool" strike out the colon and all the remaining language in the paragraph and insert a comma and the following language, "20 per cent ad valorem."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Mississippi [Mr. COLLIER].

The question was taken and the amendment was rejected.

The Clerk read as follows:

19. Wool and hair of the kind provided for in paragraph 18, when advanced in any manner or by any process of manufacture beyond the washed or scoured condition, and manufactures of which wool or hair of the kind provided for in paragraph 18 is the component material of chief value, 45 cents per pound in addition to the rates of duty imposed thereon by existing law.

Mr. GARRETT of Tennessee. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Tennessee is recognized.

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman in charge of the bill, if I can, about the effect of this particular compensatory duty as applied to existing law. I am sincerely anxious to know. May I ask, without giving offense, whether the committee made inquiry of the administrative branch of the Government as to whether or not the cotton section was workable in its compensatory feature?

Mr. GREEN of Iowa. I will say that we did.

Mr. GARRETT of Tennessee. I have understood there is extreme doubt as to the ability of administering this law, particularly that cotton section, because it is hard to determine how much that 1⅛ cotton is of just value, without tearing the goods all to pieces.

But, passing that—because I do not want to take up the time now in talking about that—I do want to know concerning this: The first duty in the Underwood Act begins with the top. That is the first process after the wool that is described here in section 18, as I understand. That duty is 8 per cent. I had it mixed up in my mind with the cotton duty a while ago. Now, the same complexity that exists, as I take it, in regard to wool tops does not exist in regard to the primary dutiable cotton schedule of the Underwood bill. In other words, there is an 8 per cent ad valorem duty on wool tops. Can the gentleman tell us how much this 45 cents a pound will make the total ad valorem duty?

Mr. GREEN of Iowa. If the gentleman could tell me the price per pound of wool to-day I could very easily make the calculation in my head, but unfortunately the price of wool has been dropping so fast that I could not give it to him.

Mr. GARRETT of Tennessee. Then there is no committee estimate, as I understand, on that question?

Mr. GREEN of Iowa. In percentages?

Mr. GARRETT of Tennessee. Yes.

Mr. GREEN of Iowa. Not that I know of, although the gentleman from Michigan [Mr. FORDNEY] may have made the calculation.

Mr. FORDNEY. I did not understand the question.

Mr. GARRETT of Tennessee. The primary thing dealt with by the Underwood bill from the dutiable standpoint is the wool top, on which a duty of 8 per cent ad valorem is placed.

Mr. FORDNEY. It is the first thing in the bill on which there is a duty. Everything before that is free.

Mr. GARRETT of Tennessee. Yes. You put a duty on raw wool. Then you add 45 cents per pound to the top by this section?

Mr. FORDNEY. Yes.

Mr. GARRETT of Tennessee. Now, can the gentleman tell the committee what that will probably make the total ad valorem duty on tops?

Mr. FORDNEY. No; I can not, offhand, but that is about the rate fixed in the Payne-Aldrich law; 11 cents on wool in the grease and 30 cents in the wash and 45 cents in the scoured, and so on.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. YOUNG. Mr. Chairman, I move that the debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from North Dakota moves that the debate on this paragraph and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. BLANTON. Mr. Chairman, I am not surprised that my good friend from Massachusetts [Mr. LUCE] does not object to this paragraph, although he has objected to some others. I imagine that we will not find him objecting to any paragraph that provides a duty on a manufactured article, either as to cotton or wool.

Why should there not be a duty on wool? Look at the record and see how many million pounds of wool came into this country during the four months of July, August, September, and October of 1920. There were 44,435,246 pounds from foreign countries, where they work peon labor to raise it.

I will tell you what is the opposition mainly to this farmers' bill. The brilliant orator from the great metropolis of this Nation gave the keynote yesterday, and he was aided and abetted in having it repeated by the gentleman from Massachusetts [Mr. LUCE] this morning. The gentleman from New York [Mr. COCKRAN] said that in the beginning of the last century there were just 30,000 people in New York, but now, he said, there were 6,000,000 people there, who were forced to gain a livelihood in the confines of that big city, and we must so arrange matters that they could obtain it easily. And this is done at the farmers' expense. And the gentleman from Massachusetts [Mr. LUCE] said, "How do you expect to put this duty on wheat unless you are going to raise the price of it to the consumer?"

It is the selfish interest of the consumer which has throttled the life out of the farmers of this country. I can not agree with my friend from Mississippi [Mr. COLLIER] when he says that the wool business is merely a frontier proposition. Let him get on any railroad train to-day from New York or Philadelphia or Pittsburgh or Chicago or St. Louis and look out of the car window, and as he passes through the various farms he will see here and there a little flock of sheep.

Almost every live, progressive farmer in this country has been forced to raise something besides crops in the ground. He has had to supplement them by raising some hogs and some chickens and a few cows and a few colts and some sheep for the market. He is directly affected by this 44,435,246 pounds of foreign wool that came into this country duty free in four months. Why should we not put a duty on wool? What is there in the Democratic platform that keeps a Democrat from putting wool on the dutiable list? Why should not 100,000,000 pounds of foreign wool annually raise revenue for us? Why should it not be one of the commodities to raise a part of the huge expenses of this country? We must raise part of the revenue at the custom-house. If we can do it on various manufactured articles in the Underwood tariff law under a Democratic régime, why can we Democrats not likewise put wool on the dutiable list and raise part of the revenue by a tariff on wool?

The CHAIRMAN. The time of the gentleman has expired. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

23. Milk, fresh, 2 cents per gallon; cream, 5 cents per gallon.

Mr. COCKRAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. COCKRAN: Page 5, line 5, strike out lines 5 and 6.

Mr. COCKRAN. Mr. Chairman, I do not intend to obtrude myself again on the time of the committee further than to ask in all candor if the gentleman who is responsible for this legislation will explain the purpose of imposing a tax upon the food of the babies in our great cities? I understand the difficulties under which gentlemen on the other side are going through the form of performing their functions here. I understand that this bill, having already passed the Senate, all we have to do here is to say amen to the decree of the potentates at the other end of the Capitol. It may be that by reason of abdication by the House of its powers I must appeal through gentleman opposite to the forbearance of the Chamber at the other end of the Capitol, which constitutionally is supposed to have less to do with revenue than this body, and to ask them if they will not graciously spare the infant life of our great cities from this crushing burden upon the cost of maintaining it.

Mr. YOUNG. Mr. Chairman, the answer to the gentleman is this: He and some other gentlemen on that side of the aisle have constantly been talking about the consumers. Now, the gentleman forgets that practically every consumer in the United States is also a producer. The Republican Party stands for encouraging production in the United States and for having every workingman and every farmer busily and profitably engaged. [Applause.]

I move that all debate on the paragraph and amendments thereto be closed.

Mr. COCKRAN. Will not the gentleman allow me to ask him this question: Does he include the babies among the producers? [Laughter.]

Mr. YOUNG. If this bill passes——

Mr. COCKRAN. Then they will be, I suppose. [Laughter.]

Mr. YOUNG. If this bill passes, every baby in the United States will have a father who can have work to do and can be

engaged in profitable production, and then we will not have anybody here telling a poor story, as the gentleman has, and the gentleman from Boston [Mr. LUCE], about the consumers who are now idle and out of work and in distress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. COCKRAN].

The question being taken, the amendment was rejected.

The Clerk read as follows:

24. Milk, preserved or condensed, sterilized by heating or other processes, including weight of immediate coverings, 2 cents per pound; sugar of milk, 5 cents per pound.

Mr. COCKRAN. Mr. Chairman, I move to strike out that paragraph.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. COCKRAN: Page [illegible] line 7, strike out paragraph 24.

SEVERAL MEMBERS. Vote!

Mr. COCKRAN. Mr. Chairman, I merely want to say, with the permission of the courteous gentlemen who cry "Vote," that the startling announcement is now made on behalf of the Committee on Ways and Means that the babies of our great cities shall also be subjected to the crushing burden of this bill, on the ground that by operation of this statute their parents will be in a better position to furnish them with milk. That is to say, the more expensive you make milk, the easier it will be to get it; the more you promote scarcity, the better opportunity there will be for abundance.

Mr. YOUNG. No; the better job they have, the better chance they will have to buy the milk that is needed for their babies.

Mr. COCKRAN. The "better job" you are providing for them will swell the numbers in the lines which will stand in front of the soup houses, while greatly increasing the difficulty of doing anything for their relief.

Mr. MORGAN. Will the gentleman yield?

Mr. COCKRAN. With great pleasure.

Mr. MORGAN. I should like to inquire if the present suffering of the babies to which the gentleman refers is not largely the result of the Underwood tariff law? [Laughter.]

Mr. COCKRAN. A question so preposterous as that does not, perhaps, need an answer, but I would remind the gentleman that since the passage of the Underwood law so momentous an event as the greatest war in history has occurred, and the greatest destruction of property that ever was known has been the result of that war. The scarcity of materials created by that destruction is causing enhanced prices and bringing want to the doors of the cottages that shelter American labor in every section of this country, a condition that was described by the gentleman from Massachusetts [Mr. LUCE] this morning. This scarcity you now propose to reduce and remedy by increasing it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 5. That this title shall be cited as the "emergency tariff act."

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word. For the benefit of Members who are making inquiry of me, I would like to ask the gentleman from Michigan if he means to conclude the bill this evening?

Mr. YOUNG. We do.

Mr. GARRETT of Tennessee. Is it the purpose of the gentleman to carry this matter further than the previous question?

Mr. YOUNG. Yes; we want to pass it and get it over to the Senate just as soon as possible.

Mr. FORDNEY. So that we can adjourn over until Monday.

The Clerk read as follows:

SEC. 214. That section 25 of an act entitled "An act to reduce taxation, to provide revenue for the Government, and for other purposes," approved August 27, 1894, be, and is hereby, amended by adding thereto a further proviso, so as to read, when so amended, as follows:

"SEC. 25. That the value of foreign coin as expressed in the money of account of the United States shall be that of the pure metal of such coin of standard value; and the values of the standard coins in circulation of the various nations of the world shall be estimated quarterly by the Director of the Mint and be proclaimed by the Secretary of the Treasury immediately after the passage of this act and thereafter quarterly on the 1st day of January, April, July, and October in each year. And the values so proclaimed shall be followed in estimating the value of all foreign merchandise exported to the United States during the quarter for which the value is proclaimed; and the date of the consular certification of any invoice shall, for the purposes of this section, be considered the date of exportation: *Provided*, That the Secretary of the Treasury may order the reliquidation of any entry at a different value whenever satisfactory evidence shall be produced to him showing that the value in United States currency of the foreign money specified in the invoice was at the date of certification at least 10 per cent more or less than the value proclaimed during the quarter in which the consular certification occurred: *Provided further*, That in the estimation and liquidation of duties upon any imported merchandise the collector of customs, or person acting as such, shall not in any case estimate the depreciation in currency at more than 66⅔ per cent."

Mr. CAREW. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 16, line 3, strike out all after the word "occurred" and insert a period, and strike out lines 4, 5, 6, and 7.

Mr. CAREW. Mr. Chairman and gentlemen of the committee, the gentleman from Connecticut [Mr. TILSON] was put forward yesterday afternoon, so he said, by the chairman of the Ways and Means Committee to explain and defend and, if he could, justify the provision which I have moved to strike out. That is the provision at the end of this bill which provides that no matter what the depreciation may be in the value of foreign money according to the exchange, the depreciation shall never be reckoned at more than 66⅔ per cent of its par by the Secretary of the Treasury.

The distinguished gentleman from Ohio [Mr. LONGWORTH] admitted to the gentleman from Texas [Mr. GARNER] that the effect of this is to raise the tariff upon articles imported from Germany, for instance, which were subject to an ad valorem rate by approximately 400 per cent. The gentleman from Connecticut did not make any such admission. I do not believe that the gentleman from Connecticut would make such an admission. We who sat at the table on this side listened with a great deal of care and attention to the statement made by the gentleman from Connecticut. We were prepared at that time, if the gentleman from Connecticut could convince us that we were in error, to withdraw our opposition to this provision. We have carefully analyzed the statement that he made, and the more we have reflected upon it, the more we have analyzed it, the stronger has been our conviction that this provision is absolutely unwarranted on the facts as they really are.

The gentleman from Connecticut said that it was designed to provide for the difference between the exchange value of the mark and the mark value at home in Germany, and he said that difference was the difference between approximately 2 cents and 7 cents. Now, my friends, the first question I want to present to the gentleman from Connecticut is this: He ought not to have contrasted the exchange value of the mark with the home purchasing power of the mark in Germany of home commodities in Germany. In the first place, I do not agree with him that the mark in Germany for purposes of home consumption is worth 7 cents. The mark at home in Germany is not worth any more than it is in the exchange of the world, 1.6 cents, and you could not buy a pretzel with it in Germany. But even if there were a difference in the home purchasing power of the mark in Germany and its value in the exchange of the world, that is not the difference he should have addressed himself to. He should have addressed himself to the difference, if there is any difference, between the value of the mark on the exchange of the world and the value of the mark in the purchasing of exports from Germany, because that is what he seeks to protect us against.

We on the Democratic side of the aisle are just as anxious as the gentleman is to see that every dollar due under the Underwood tariff is collected, and if it is not being collected we will join hands with him and help to devise ways and means by which it may be collected. The mark in Germany for purposes of export purchases is not worth 7 cents. It is worth only 1.6 cents. This has all been thrashed out in our committee. The present Assistant Secretary of the Treasury, Mr. Kelly, came before our committee, and he squarely said, and in it he was backed up by the present Chief of Customs Division of the Treasury Department and also by other customs officials, that the mark at home in Germany had fallen down to the same value that it had fallen on the exchanges of the world, and that you could not buy any more with a mark in Germany than you could buy with 1.6 cents. The statement that there is a difference between the purchasing power of the mark for exports from Germany and the purchasing power of the mark on the exchanges of the world is absolutely not so. Not only that but it is preposterously absurd. Think of what it means. The gentleman from Connecticut [Mr. TILSON] says that he can buy marks here in the United States for 1.6 cents each and go to Germany and that they are worth there 7 cents. The gentleman from Ohio [Mr. LONGWORTH] has a great deal of information about the internal condition of Germany. He tells us that there are immense stocks of chemicals and dyes over there ready for dumping on this or any other market that is available. Do you not suppose if we could buy marks for 1.6 cents each and go into Germany and find them there worth 7 cents that there would be a great deal of business done in what would seem to be the very profitable speculation because of that fact? Enough to equalize the values at once?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CAREW. Mr. Chairman, I ask unanimous consent that I may proceed for three minutes more.

Mr. COLLIER. Mr. Chairman, I ask unanimous consent that the time of the gentleman from New York be extended for five minutes.

Mr. YOUNG. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. CAREW. Mr. Chairman, not only did the Secretary the Treasury and the Chief of the Customs Division come before our committee to give the testimony I have just related, but every member of our committee received a letter from the great merchandising firm of Marshall Field & Co., of Chicago, in respect to the matter, and they say precisely the same as does the present Assistant Secretary of the Treasury. They say that the mark in Germany has fallen just as low as the mark has fallen on the exchanges of the world, and that when they go there they have to pay a great many more marks than they were formerly compelled to pay, and that when it is all figured up in American dollars it is at least equal to what they had to pay before the war, and in many instances a great deal more. I have here an extract which I have taken from the letter which that firm sent to me, which I insert with my remarks, without objection, instead of taking the time to read it.

Invoices of Marshal Field & Co.

Department.	Description.	Country.	1914		
			Foreign price.	Rate.	Amount.
			Marks.		
15	Cotton hose	Germany	5.40	$0.24	$2.02
15	....do	....do	5.80	.24	2.11
15	....do	....do	6.20	.24	1.49
15	....do	....do	5.40	.24	2.02
15	....do	....do	5.60	.24	1.34

Department.	Description.	Country.	1920		
			Foreign price.	Rate.	Amount.
			Marks.		
16	Ladies' cotton chamois suede gloves	Germany	5.00	$0.24	$1.20
16	....do	....do	8.75	.24	2.10
16	Ladies' cotton lisle suede gloves	....do	5.50	.24	1.32
16	....do	....do	9.00	.24	2.16
16	Ladies' cotton lisle chamoisette gloves.	....do	4.75	.24	1.14
16	....do	....do	9.40	.24	2.26
19	Ladies' lamb 16-button overseam	....do	50.00	.24	12.00
19	Ladies' real 2-clasp overseam	....do	24.00	.24	5.75
41	Toys	....do	9.75	.24	2.34

Department.	Description.	Country.	1921		
			Foreign price.	Rate.	Amount.
			Marks.		
15	Cotton hose	Germany	195.00	$0.015	$2.93
15	....do	....do	225.00	.015	3.38
15	....do	....do	220.00	.015	3.30
15	....do	....do	290.00	.015	4.35
15	....do	....do	195.00	.015	2.93
16	Ladies' cotton chamois suede gloves	....do	160.00	.01½	2.40
16	....do	....do	350.00	.01½	5.25
16	Ladies' cotton lisle suede gloves	....do	160.00	.01½	2.40
16	....do	....do	350.00	.01½	5.25
16	Ladies' cotton lisle chamoisette gloves.	....do	225.00	.01½	3.38
16	....do	....do	400.00	.01½	6.00
19	Ladies' lamb 16-button overseam	....do	1,424.00	.015	21.36
19	Ladies' real 2-clasp overseam	....do	800.00	.015	12.00
41	Toys	....do	232.50	.015	3.49

As I reflected upon this proposition I thought at first that this provision is included here because of the extreme gullibility of my friends on the Republican side, but on second thought I knew that it can be nothing more than simply another example of the avidity with which they grab hold of any sort of pretext to raise tariffs on imports. My dear friend, the chairman of this committee, for whom I have more affection than for any other man in this House, stood here a little more than a month ago and avowed his absolute and sublime faith in the proposition that a tariff on imports would be the means of reducing the price to the consumer. At the time that he said that I felt like asking him if he still believed in Santa Claus, but my respect for his gray hairs prevailed and I did not do so. This proposition is absolutely indefensible. Germany is on her back, helpless, bound, the heel of the conquerer is upon her face. You are raising the duties on her exports over 400 per cent. You are raising the duty upon exports from Austria 2,000 per cent, and you are raising the duties on exports from Russia 4,000 per cent. If you want to do that, why do you not have the courage to come out and do it openly, instead of doing it by this subtle, covert device. [Applause on the Democratic side.]

You want to declare peace with Germany and at the same time make it impossible to have commercial relations with her; make it impossible for her ever to come back.

Mr. LONGWORTH. Mr. Chairman, I undertook yesterday to explain this provision, and for the benefit of those who possibly were not here yesterday allow me to repeat in part what I said. It is true, as the gentleman from New York says, and as I said yesterday, that this provision will make a duty 400 per cent higher, approximately, than the present duty on German goods would be if they were permitted to value their goods at the actual exchange value of the mark. But note this, that they would have to be more than 900 per cent higher than they now are if they were to equal the duty imposed in the Underwood law. Under our present system of foreign valuation, where you admit for valuation purposes the total depreciation rate of exchange, Germany's goods to-day are 90 per cent off. For instance, if you have a duty in the Underwood law of 40 per cent on certain goods imported from Germany, and if the importers are permitted to value their article for export at the mark rate of less than 2 cents, you automatically reduce your duty 90 per cent. In other words, the 40 per cent duty becomes 5 per cent. That is all there is to this proposition.

Mr. YOUNG. Will Germany under this bill have to pay a higher duty on her goods in the United States than Great Britain?

Mr. LONGWORTH. She will not have to pay anywhere nearly as high a duty under this provision. Under this the value of the mark would be about 8 cents. In other words, Germany would have to pay under this proposition less than 20 per cent on an actual ad valorem of 40 per cent. It is all very well, gentlemen, to talk about Germany being flat on her back; but Germany has been the world's premier producer of all sorts of chemicals for the last 30 years. Not a German factory was damaged during the war. Not a German workman or chemist in those factories was drafted into the army, and those factories to-day are running full time, and they are larger and more highly organized than ever before. Millions upon millions of pounds of chemicals, to compete with the products of our chemical factories here, are ready for shipment, and you propose to let them in at 90 per cent below even the paltry Underwood duty. I believe in protecting the chemical industry of the United States, the bedrock of preparedness for war, and if we do not do something like this we leave our markets at the mercy of Germany.

When I said yesterday that I did not think that this provision was of much importance, it was only because I hope that this provision will not be in existence for much more than a month. I hope we are going to be able to report to this House and pass within a month, and have speedily passed in the Senate, a provision providing a valuation based on the American value of goods, so that we will not be the victims of these low rates of exchange. [Applause on the Republican side.] That is the reason I criticize gentlemen who voted for it before, who voted for both the emergency tariff and antidumping bill before, and who now base their opposition to this bill on the flimsy excuse that this particular proposition is a "joker." It is too absurd to talk about and does not reflect great credit on their consistency or statesmanship.

Mr. FESS. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. FESS. I am greatly and I think the whole House has been greatly illuminated by the gentleman's statement, because I have been somewhat under a misapprehension. Is it not true that the gentleman's argument is that instead of paying 400 per cent additional it is an argument to cut this out and make it 900 per cent?

Mr. LONGWORTH. Precisely, if I interpret correctly my colleague's query. Without the 66⅔ per cent provision the actual duty paid on German importations subject to an ad valorem duty would be 90 per cent less than the duty provided in the Underwood law. Even with it it will be less by more than 50 per cent. [Applause on the Republican side.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, in reply to some statements made by some of our friends on the opposite side I want to read from an article in the Washington Times of this afternoon:

After a bitter debate the Chamber of Deputies yesterday voted by an overwhelming majority in favor of a 50 per cent tax on German exportations. The vote was 383 to 77.

That is about the division here to-day.

The opponents put up a stubborn battle against the tax on the ground that France needs Germany's products, and that by such a formidable tax the French people were indirectly paying the German war debt.

That is the argument used by our Democratic friends against this bill, word for word. I yield the balance of my time to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, is there any time left.

The CHAIRMAN. One minute.

Mr. TILSON. Mr. Chairman, I showed yesterday by reliable information, not partisan in character, not even national, but international information, how the depreciated currency in Germany works. Taking 11 trades in Germany and the corresponding trades in this country, I showed that whereas in this country the workmen receive at least $30 on the average per week, in Germany in the same trades, reckoning at the present exchange rate of the mark, the German workmen receive only $3.47 per week.

To claim that this is their actual wage in purchasing power is absurd. What actually happens is that while the workman's wage is reduced to terms of living expenses he actually receives in rent, food, clothing, and other necessities a higher return for his marks than the exchange rate figure, upon the best information available, that what he actually receives is about an 8-cent mark. I also showed, Mr. Chairman, that even if there were the increase of duty of 800 or 400 per cent claimed by the gentleman from New York [Mr. CAREW], even this enormous increase would not bring the duty anything like up to the rate of the Underwood tariff.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CAREW. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended one minute.

Mr. YOUNG. Debate is closed by order of the committee.

The CHAIRMAN. Objection is made.

Mr. CAREW. The gentleman did not object. He called attention to an order of the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. CAREW].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The gentleman from Texas [Mr. CONNALLY] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CONNALLY of Texas: Page 16, line 7, after the words "per centum," add the following:

"*Provided*, That in any case in which any American farm product or products may be exported to a foreign country and are bartered or exchanged for goods produced in such foreign country such foreign goods upon importation into the United States shall not be subject to the operation of the last preceding proviso but shall be taxed as otherwise provided by law."

Mr. LONGWORTH. Mr. Chairman, I make the point of order that under paragraph 3 of Rule XXI this is entirely new matter.

The CHAIRMAN. The Chair sustains the point of order.

Mr. CONNALLY of Texas. What is the point?

The CHAIRMAN. That it is a violation of paragraph 3, Rule XXI.

Mr. CONNALLY of Texas. That it is not germane?

The CHAIRMAN. That it violates the rule.

Mr. CONNALLY of Texas. In what respect? Unless the Chair knows what the point of order is, I do not address myself to the point of order.

The CHAIRMAN. The Chair assumes that the gentleman from Texas is familiar with it.

Mr. CONNALLY of Texas. Is it on the ground that it is not germane to the subject matter of the bill?

The CHAIRMAN. That it is not germane to the paragraph in question.

Mr. CONNALLY of Texas. Well, now, I think the Chair please, I would like to be heard on that.

Mr. LONGWORTH. This applies to certain products exported abroad. It does not in any way relate to this proviso. It is entirely a new question. The bill has to do with imports entirely and not exports.

The CHAIRMAN. The Chair sustains the point of order and does not care to hear anything on the point of order. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. YOUNG. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House, reported that that committee, having had under consideration the bill H. R. 2435, imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, had directed him to report the same to the House without amendment, with the recommendation that the bill do pass.

Mr. YOUNG. Mr. Speaker, I move the previous question on the bill to final passage.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

Mr. GARNER. Mr. Speaker, I desire to make a motion to recommit.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

Mr. GARNER. I will state the motion. I do not have it in writing. I move to recommit the bill to the Committee on Ways and Means, with instructions to report forthwith an amendment striking out, on page 16, lines 3, 4, 5, 6, and 7, reading as follows:

Provided further, That in the estimation and liquidation of duties upon any imported merchandise the collector of customs, or person acting as such, shall not in any case estimate the depreciation in currency at more than 66⅔ per cent.

Mr. LONGWORTH. Will the gentleman yield? Would it not be more workmanlike to move to strike out the entire section? By your amendment it is simply a reenactment of the existing law.

Mr. GARNER. I think this brings the issue clearly before the House and emphasizes our position.

Mr. LONGWORTH. I see.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. GARNER moves to recommit the bill to the Committee on Ways and Means, with instructions to that committee to report the bill forthwith with the following amendment:

On page 16, line 3, after the word "occurred," strike out the following:

"*Provided further*, That in the estimation and liquidation of duties upon any imported merchandise the collector of customs, or person acting as such, shall not in any case estimate the depreciation in currency at more than 66⅔ per cent."

Mr. YOUNG. Mr. Speaker, on that I move the previous question.

The SPEAKER. On that the gentleman from North Dakota moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit.

Mr. GARNER. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. On that the yeas and nays are demanded.

The yeas and nays were ordered.

The SPEAKER. The Clerk will call the roll. Those in favor of the motion to recommit will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 118, nays 265, not voting 42, as follows:

YEAS—118.

Almon	Crisp	Jacoway	Overstreet
Ansorge	Cullen	James, Va.	Padgett
Aswell	Davis, Tenn.	Johnson, Miss.	Park, Ga.
Bankhead	Deal	Jones, Tex.	Parks, Ark.
Barkley	Dominick	Keller	Parrish
Bell	Drane	Kincheloe	Pou
Black	Drewry	Kindred	Quin
Bland, Va.	Driver	Kitchin	Rankin
Blanton	Dupré	Kunz	Rayburn
Bowling	Fields	Lanham	Riordan
Box	Fisher	Lankford	Rouse
Brand	Flood	Larsen, Ga.	Ryan
Briggs	Fulmer	Lea, Calif.	Sabath
Brinson	Garner	Lee, Ga.	Sanders, Tex.
Buchanan	Garrett, Tenn.	Linthicum	Sandlin
Bulwinkle	Garrett, Tex.	Logan	Sears
Byrnes, S. C.	Gilbert	London	Siegel
Byrns, Tenn.	Goldsborough	Lowrey	Smithwick
Campbell, Pa.	Griffin	Lyon	Steagall
Cantrill	Hammer	McClintic	Stedman
Carew	Hardy, Tex.	McDuffie	Stevenson
Carter	Harrison	McSwain	Stoll
Cockran	Hawes	Montague	Sullivan
Collier	Hayden	O'Brien	Sumners, Tex.
Collins	Huddleston	Oldfield	Swank
Connally, Tex.	Humphreys	Oliver	Tague

Taylor, Colo.	Tyson	Ward, N. C.	Wise
Ten Eyck	Upshaw	Weaver	Wright
Thomas	Vinson	Wilson	
Tillman	Volk	Wingo	

NAYS—265.

Ackerman	Favrot	Langley	Roach
Anderson	Fenn	Larson, Minn.	Robertson
Andrews	Fess	Lawrence	Robsion
Anthony	Fish	Lazaro	Rodenberg
Appleby	Fitzgerald	Leatherwood	Rogers
Arentz	Focht	Lee, N. Y.	Rose
Atkeson	Fordney	Lehlbach	Rosenbloom
Bacharach	Foster	Lineberger	Rowdale
Barbour	Frear	Little	Sanders, Ind.
Beck	Free	Longworth	Sanders, N. Y.
Beedy	Freeman	Luce	Schall
Begg	French	Lufkin	Scott, Tenn.
Benham	Frothingham	McArthur	Shaw
Bird	Fuller	McCormick	Shelton
Bixler	Funk	McLaughlin, Nebr.	Sinclair
Bland, Ind.	Gahn	McLaughlin, Mich.	Sinnott
Boies	Gensman	McLaughlin, Pa.	Siemp
Bond	Gernerd	McPherson	Smith
Bowers	Glynn	MacGregor	Snell
Brennan	Good	Madden	Speaks
Brooks, Pa.	Goodykoontz	Magee	Sproul
Brown, Tenn.	Gorman	Maloney	Stafford
Browne, Wis.	Graham, Ill.	Mann	Steenerson
Burdick	Green, Iowa	Mapes	Stephens
Burke	Greene, Mass.	Martin	Stiness
Burroughs	Greene, Vt.	Merritt	Strong, Kans.
Burtness	Griest	Michaelson	Strong, Pa.
Butler	Hadley	Michener	Summers, Wash.
Cable	Hardy, Colo.	Miller	Sweet
Campbell, Kans.	Haugen	Mills	Swing
Cannon	Hawley	Millspaugh	Taylor, N. J.
Chalmers	Herrick	Moudell	Taylor, Tenn.
Chandler, N. Y.	Hersey	Montoya	Temple
Chandler, Okla.	Hickey	Moore, Ill.	Thompson
Chindblom	Hicks	Moore, Ohio	Tilson
Christopherson	Hill	Morgan	Timberlake
Clague	Himes	Morin	Tincher
Clark, Fla.	Hoch	Mott	Tinkham
Clarke, N. Y.	Houghton	Murphy	Towner
Classon	Hudspeth	Nelson, A. P.	Treadway
Clouse	Hukriede	Nelson, J. M.	Underhill
Cole	Hull	Newton, Minn.	Vaile
Colton	Husted	Newton, Mo.	Vare
Connell	Hutchinson	Ogden	Vestal
Connolly, Pa.	James, Mich.	Olpp	Voigt
Cooper, Ohio	Jefferis	Osborne	Volstead
Cooper, Wis.	Johnson, S. Dak.	Paige	Walsh
Copley	Johnson, Wash.	Parker, N. J.	Walters
Coughlin	Jones, Pa.	Parker, N. Y.	Ward, N. Y.
Crampton	Kahn	Patterson, Mo.	Wason
Curry	Kearns	Patterson, N. J.	Watson
Dale	Kelley, Mich.	Perkins	Webster
Dallinger	Kelly, Pa.	Perlman	Wheeler
Darrow	Kendall	Peters	White, Kans.
Dempsey	Kennedy	Petersen	White, Me.
Denison	Ketcham	Pringey	Williams
Dickinson	King	Purnell	Williamson
Dowell	Kinkaid	Radcliffe	Winslow
Dunbar	Kirkpatrick	Ramseyer	Wood, Ind.
Dunn	Kissel	Ransley	Woodruff
Dyer	Kleczka	Reavis	Wurzbach
Echols	Kline, N. Y.	Reber	Wyant
Elliott	Kline, Pa.	Reece	Young
Ellis	Knutson	Reed, N. Y.	Zihlman
Elston	Kopp	Reed, W. Va.	
Fairfield	Kraus	Rhodes	
Faust	Lampert	Ricketts	

NOT VOTING—42.

Blakeney	Gallivan	Luhring	Porter
Britten	Gould	McFadden	Rainey, Ala.
Brooks, Ill.	Graham, Pa.	McKenzie	Riddick
Burton	Hays	Mansfield	Scott, Mich.
Codd	Hogan	Mason	Shreve
Crowther	Ireland	Moore, Va.	Snyder
Davis, Minn.	Johnson, Ky.	Moores, Ind.	Woods, Va.
Doughton	Kiess	Mudd	Woodyard
Edmonds	Knight	Nolan	Yates
Evans	Kreider	Norton	
Fairchild	Layton	O'Connor	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. GALLIVAN (for) with Mr. GRAHAM of Pennsylvania (against).

Mr. JOHNSON of Kentucky (for) with Mr. DAVIS of Minnesota (against).

Mr. WOODS of Virginia (for) with Mr. EDMONDS (against).

Until further notice:

Mr. BROOKS of Illinois with Mr. MANSFIELD.

Mr. MUDD with Mr. RAINEY of Alabama.

Mr. NOLAN with Mr. MOORE of Virginia.

Mr. GOULD with Mr. O'CONNOR.

Mr. KIESS with Mr. DOUGHTON.

After the Clerk had concluded the calling of the roll the second time:

Mr. YOUNG. Mr. Speaker, I am informed that the bells over in the House Office Building were not in working condition this afternoon and did not ring for this roll call; and in view of that fact I ask unanimous consent that all who are now present desiring to vote may be permitted to do so.

The SPEAKER. The gentleman asks unanimous consent, on account of the bells not ringing in the House Office Building, that all gentlemen now present be allowed to vote. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, in view of the peculiar situation I am very reluctant to make objection. My recollection is that this question arose before, some four years ago, and that the Speaker decided that this could not be done.

Mr. MANN. I am not sure about it, but my recollection is that we allowed it and that it was done.

Mr. BUTLER. Yes. I know the bells did not ring.

Mr. RAYBURN. Reserving the right to object, I want to interrogate the gentleman from Illinois [Mr. MANN]. Is he quite certain that it was not decided the other way?

Mr. MANN. I am not certain either way. I said my recollection was that the House gave the consent.

Mr. RAYBURN. My recollection is that we did not give the consent and that the specific question was decided in that way. Of course, I will not object.

Mr. FAIRCHILD. My recollection is that the consent was given, for I voted under those conditions.

Mr. PADGETT. Upon one occasion I made the request myself, under similar circumstances, and the House did grant unanimous consent and the Members voted on the measure; but there was no controversy over the question and nearly everybody voted the same way.

Mr. RAYBURN. Are the bells in the House Office Building not ringing?

Mr. TEMPLE. They are not.

Mr. RAYBURN. Further reserving the right to object, I am not going to object this time, but I will object the next time.

Mr. MANN. Everybody over there has been notified personally, but not in time to reach the floor of the House during the roll call.

Mr. RAYBURN. I am not going to object this time, but I shall not allow another request like this to be agreed to if I am here.

The SPEAKER. Is there objection?

There was no objection.

The Clerk recorded the names of Members present who desired to vote.

The result of the vote was announced as above recorded.

The SPEAKER. The motion to recommit is not agreed to. The question is on the passage of the bill.

Mr. YOUNG. Mr. Speaker, on the passage of the bill I ask for the yeas and nays.

The yeas and nays were ordered.

IMMIGRATION AND NATURALIZATION.

Mr. MONDELL. Mr. Speaker, pending the taking of the vote on the passage of the tariff bill, I ask unanimous consent to make a brief statement.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. MONDELL. It will be necessary to meet to-morrow in order to receive a report from the Committee on Immigration and Naturalization, but a motion to adjourn will be made immediately upon the receipt of that report.

Mr. GARRETT of Tennessee. Mr. Speaker, how can the Committee on Immigration and Naturalization report, when the making up of that committee has not been completed?

Mr. MONDELL. The majority members have been appointed. The minority has not appointed its members of that committee.

Mr. JOHNSON of Washington. Mr. Speaker, an understanding was entered into that certain members of the minority formerly on the Committee on Immigration and Naturalization should act with the committee. The division comes on that bill for and against it, and is not a strict party division.

Mr. GARRETT of Tennessee. Mr. Speaker, the minority have moved with all diligence, as rapidly as they could, to complete the making up of this committee. The program of legislation was given out. It is not right, it is not proper, for that committee to report until the minority members have been appointed.

Mr. JOHNSON of Washington. Will that be this year, or when?

Mr. GARRETT of Tennessee. I repeat, the minority committee which makes up the committees has moved as rapidly as it is possible and faster, as far as I know, than it has ever done. We have met here repeatedly at special sessions and waited weeks and sometimes months for making up the committees. I protest now against any report being received, and it will require a quorum to receive any such report.

Mr. GARNER. May I have the ear of the gentleman from Wyoming? It is the hope of the minority to report their members of the committees for nomination and election on Monday morning. It will be impossible for us to do so to-morrow. It will only take one more day, with reference to the report of the Immigration Committee, and I want to suggest that you let this matter go over until Monday.

Mr. MONDELL. Mr. Speaker, the minority were informed that this committee was ready to do business and asked for the names of the other members of the committee.

Mr. CRISP. Who received that information?

Mr. MONDELL. I think the chairman of the committee.

Mr. CRISP. I happen to be on the committee, and this is the first intimation I have had.

Mr. JOHNSON of Washington. I have spoken to the gentleman from Texas and the gentleman from Tennessee. I was unable to meet the gentleman from North Carolina, but the agreement was made that the prospective members of the committee should sit with the subcommittee, and they have been protected.

Mr. GARRETT of Tennessee. Mr. Speaker, I entered into no such agreement as that myself. I had no authority to do so. It was a matter whether they wanted to sit or not. I did not know whether they would be back on the committee or not.

Mr. VAILE. Would the gentleman contend that the minority could delay legislation for a whole session?

Mr. GARRETT of Tennessee. Oh, no; I make no such contention. The minority has never tried to delay immigration legislation. Once before legislation of great importance was forced on the House without giving the minority a day in which to formulate the committee. You have undertaken to lay down the rules under which the minority members will be appointed to committees, and now you undertake to say that you will report legislation before the minority has a decent opportunity to formulate its committee. We are not trying to delay legislation; we are moving in good faith.

Mr. MONDELL. Mr. Speaker, the majority does not intend to be lectured by the gentleman from Tennessee. When his party was in the majority they compelled us to submit our committee lists for their inspection.

Mr. MANN. That is true, because I submitted the list.

Mr. GARNER. May I have the attention of the gentleman from Wyoming?

Mr. GARRETT of Tennessee. Mr. Speaker, I demand the regular order.

EMERGENCY TARIFF.

The SPEAKER. The regular order is demanded. The question is on the passage of the bill.

The question was taken; and there were—yeas 269, nays, 110, answered "present" 2, not voting 44, as follows:

YEAS—269.

Ackerman	Connolly, Pa.	Goodykoontz	Knutson
Anderson	Cooper, Ohio	Gorman	Kopp
Andrews	Cooper, Wis.	Graham, Ill.	Kraus
Anthony	Copley	Green, Iowa	Lampert
Appleby	Coughlin	Greene, Mass.	Langley
Arentz	Cramton	Greene, Vt.	Lankford
Atkeson	Curry	Griest	Larson, Minn.
Bacharach	Dale	Hadley	Lawrence
Beck	Dallinger	Hardy, Colo.	Lazaro
Beedy	Darrow	Haugen	Lea, Calif.
Begg	Deal	Hawley	Leatherwood
Benham	Dempsey	Hays	Lee, N. Y.
Bird	Denison	Herrick	Lehlbach
Bixler	Dickinson	Hersey	Lineberger
Blakeney	Dowell	Hickey	Little
Bland, Ind.	Dunbar	Hicks	Longworth
Blanton	Dunn	Hill	Luhring
Boies	Dupré	Himes	McArthur
Bond	Dyer	Hoch	McCormick
Bowers	Echols	Houghton	McLaughlin, Mich.
Brennan	Elliott	Hudspeth	McLaughlin, Nebr.
Brooks, Pa.	Ellis	Hukriede	McLaughlin, Pa.
Brown, Tenn.	Elston	Hull	McPherson
Browne, Wis.	Fairfield	Husted	MacGregor
Burdick	Faust	Hutchinson	Madden
Burroughs	Favrot	James, Mich.	Magee
Burtness	Fenn	Jefferis	Maloney
Butler	Fess	Johnson, S. Dak.	Man
Cable	Fish	Johnson, Wash.	Mapes
Campbell, Kans.	Fitzgerald	Jones, Pa.	Martin
Campbell, Pa.	Focht	Jones, Tex.	Merritt
Cannon	Fordney	Kahn	Michaelson
Chalmers	Foster	Kearns	Michener
Chandler, N. Y.	Frear	Kelley, Mich.	Miller
Chandler, Okla.	Free	Kelly, Pa.	Mills
Chindblom	Freeman	Kendall	Millspaugh
Christopherson	French	Kennedy	Mondell
Clague	Frothingham	Ketcham	Montoya
Clark, Fla.	Fuller	King	Moore, Ill.
Clarke, N. Y.	Funk	Kinkaid	Moore, Ohio
Classon	Gahn	Kirkpatrick	Morgan
Clouse	Gensman	Kissel	Morin
Cole	Gernerd	Kleczka	Mott
Colton	Glynn	Kline, N. Y.	Murphy
Connell	Good	Kline, Pa.	Nelson, A. P.
Nelson, J. M.	Reece	Snell	Vestal
Newton, Minn.	Reed, N. Y.	Speaks	Voigt
Newton, Mo.	Reed, W. Va.	Sproul	Volstead
Norton	Rhodes	Steenerson	Walsh
Ogden	Ricketts	Stephens	Walters
Olpp	Roach	Stiness	Ward, N. Y.
Osborne	Robertson	Strong, Kans.	Wason
Paige	Robsion	Strong, Pa.	Watson
Parker, N. J.	Rogers	Summers, Wash.	Webster
Parker, N. Y.	Rose	Sweet	Wheeler
Parrish	Rosenbloom	Swing	White, Kans.
Patterson, Mo.	Rossdale	Taylor, Colo.	White, Me.
Patterson, N. J.	Sanders, Ind.	Taylor, N. J.	Williams
Perkins	Sanders, N. Y.	Taylor, Tenn.	Williamson
Peters	Schall	Temple	Winslow
Petersen	Scott, Tenn.	Thompson	Wood, Ind.
Pringey	Shaw	Tilson	Woodruff
Purnell	Shelton	Timberlake	Wurzbach
Radcliffe	Sinclair	Tincher	Wyant
Ramseyer	Sinnott	Towner	Young
Ransley	Slemp	Treadway	
Reavis	Smith	Vaile	
Reber	Smithwick	Vare	

NAYS—110.

Almon	Drane	Lee, Ga.	Sanders, Tex.
Ansorge	Drewry	Linthicum	Sandlin
Aswell	Driver	Logan	Sears
Bankhead	Fields	London	Siegel
Barkley	Fisher	Lowrey	Stafford
Bell	Flood	Luce	Stedman
Black	Fulmer	Lyon	Stevenson
Bland, Va.	Garner	McClintic	Stoll
Bowling	Garrett, Tenn.	McDuffie	Sullivan
Box	Garrett, Tex.	McSwain	Sumners, Tex.
Brand	Gilbert	Montague	Swank
Briggs	Goldsborough	O'Brien	Tague
Brinson	Griffin	O'Connor	Thomas
Buchanan	Hammer	Oldfield	Tillman
Bulwinkle	Hardy, Tex.	Oliver	Tinkham
Byrnes, S. C.	Harrison	Overstreet	Tyson
Byrns, Tenn.	Hawes	Padgett	Underhill
Cantrill	Hayden	Park, Ga.	Upshaw
Carew	Huddleston	Parks, Ark.	Vinson
Carter	Humphreys	Perlman	Volk
Cockran	James, Va.	Pou	Ward, N. C.
Collier	Johnson, Miss.	Quin	Weaver
Collins	Keller	Rankin	Wilson
Connally, Tex.	Kincheloe	Rayburn	Wingo
Crisp	Kindred	Riordan	Wise
Cullen	Kitchin	Rouse	Wright
Davis, Tenn.	Kunz	Ryan	
Dominick	Lanham	Sabath	

ANSWERED "PRESENT"—2.

	Jacoway	Ten Eyck	

NOT VOTING—44.

Barbour	Fairchild	Layton	Rainey, Ala.
Britten	Gallivan	Luhring	Riddick
Brooks, Ill.	Gould	McFadden	Rodenberg
Burke	Graham, Pa.	McKenzie	Scott, Mich.
Burton	Hogan	Mansfield	Shreve
Codd	Ireland	Mason	Snyder
Crowther	Johnson, Ky.	Moore, Va.	Steagall
Davis, Minn.	Kiess	Moores, Ind.	Woods, Va.
Doughton	Knight	Mudd	Woodyard
Edmonds	Kreider	Nolan	Yates
Evans	Larsen, Ga.	Porter	Zihlman

So the bill was passed.

Mr. HILL. Mr. Speaker, my colleague from Maryland, Mr. MUDD, is unavoidably absent. He requested me to say that if he had been here, he would have voted for the bill.

The Clerk announced the following additional pairs:

On the vote:

Mr. GRAHAM of Pennsylvania (for) with Mr. GALLIVAN (against).

Mr. BROOKS of Illinois with Mr. MANSFIELD.

Mr. DAVIS of Minnesota (for) with Mr. JOHNSON of Kentucky (against).

Mr. EDMONDS (for) with Mr. WOODS of Virginia (against).

Mr. BARBOUR (for) with Mr. JACOWAY (against).

Mr. JACOWAY. Mr. Speaker, I am recorded as voting "no." I wish to withdraw that vote and vote "present," as I have a pair with the gentleman from California, Mr. BARBOUR.

The name of Mr. JACOWAY was called, and he answered "Present."

Mr. LARSEN of Georgia. Mr. Speaker, I desire to vote "no."

The SPEAKER. Was the gentleman present when his name was called, listening?

Mr. LARSEN of Georgia. I do not think I was.

The SPEAKER. The gentleman does not bring himself within the rule.

Mr. LARSEN of Georgia. Then I shall ask to be recorded present.

The SPEAKER. The gentleman can not do that under the rule.

Mr. STEVENSON. Mr. Speaker, is Mr. STEAGALL recorded?

The SPEAKER. He is not recorded.

Mr. STEVENSON. I know that he voted "no," and after voting, immediately left the Hall, because I was with him at the time.

The result of the vote was announced as above recorded.

On motion of Mr. YOUNG, a motion to reconsider the vote by which the bill was passed was laid on the table.

ADJOURNMENT OVER.

Mr. MONDELL. Mr. Speaker, in view of the fact that the minority have not appointed their members of the Committee on Immigration and Naturalization, and because they desire to have their members on that committee appointed before the bill is reported, that bill will not be reported to-morrow, as suggested. That being the case, there is no reason why the House should meet to-morrow. I therefore ask unanimous consent that when the House adjourns to-day it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

Mr. JOHNSON of Washington. Mr. Speaker, reserving the right to object, if the minority members of the Committee on Immigration and Naturalization are appointed on Monday, can the bill then be immediately dropped in the basket, following the meeting of the committee, ready for action on Tuesday?

Mr. MONDELL. I hope it can be, and I think it should be.

Mr. SABATH. The committee would have to meet in the afternoon after the members have been elected.

Mr. JOHNSON of Washington. The committee has the right to meet during the sessions of the House.

Mr. MONDELL. We can not delay longer the consideration of this measure.

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

There was no objection.

WITHDRAWAL OF PAPERS.

By unanimous consent, Mr. SCHALL was granted leave to withdraw from the files of the House without leaving copies the papers in the case of Mary Sims, H. R. 8286, Sixty-sixth Congress, first session, no adverse report having been made thereon.

EXTENSION OF REMARKS.

Mr. JOHNSON of Mississippi. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD upon the emergency tariff bill passed to-day.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLLIER. Mr. Speaker, I do not care to extend my remarks, but I ask unanimous consent that I may have the privilege of revising them.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, the gentleman does not have to get unanimous consent to do that, and I object.

The SPEAKER. The gentleman from Massachusetts objects.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 6 o'clock and 45 minutes p. m.), in accordance with the order heretofore made, the House adjourned until Monday, April 18, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

22. A letter from the Secretary of the Treasury, transmitting request for transfer of a wharf at Charleston, S. C., from the Treasury to the War Department; to the Committee on Public Buildings and Grounds.

23. A letter from the President, transmitting eleventh annual report of the Boy Scouts of America; to the Committee on Education.

24. A letter from the Secretary of War, transmitting request for the printing of the report of the National Home for Disabled Volunteer Soldiers; to the Committee on Printing.

25. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Neches River, Tex., from Beaumont to mouth of Angelina River; to the Committee on Rivers and Harbors.

26. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Scituate Harbor, Mass.; to the Committee on Rivers and Harbors.

27. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of St. Marks River, Wakulla County, Fla.; to the Committee on Rivers and Harbors.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GOOD: A bill (H. R. 3707) making appropriations for certain expenses incident to the first session of the Sixty-seventh Congress, and for other purposes; passed House.

By Mr. EDMONDS: A bill (H. R. 3708) to establish load lines for certain vessels; to the Committee on the Merchant Marine and Fisheries.

By Mr. GRAHAM of Illinois: A bill (H. R. 3709) to prohibit the sale, transfer, or lease of property of the United States to certain persons named therein and providing penalties for a violation of the same; to the Committee on Military Affairs.

By Mr. PRINGEY: A bill (H. R. 3710) authorizing the United States Court of Claims to hear, adjudicate, and determine any claims of the Eastern and Emigrant and Western Cherokee Indians and Creek and Seminole Indians of Indian Territory, now Oklahoma, for any moneys, lands, and interest found due said Indians; to the Committee on Indian Affairs.

By Mr. SNELL: A bill (H. R. 3711) for the purchase of a site and the erection thereon of a public building at Ticonderoga, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3712) for the purchase of a site and the erection thereon of a public building at Potsdam, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3713) amending the provision of the act of Congress approved March 4, 1913, authorizing the Secretary of the Treasury to contract for the purchase of a site and the erection of a suitable building for the post office at Saranac Lake, N. Y., so as to increase the cost of said building and site from $90,000 to $130,000; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3714) to provide for the extension, enlargement, and remodeling of the Federal building at Plattsburg, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 3715) to permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department; to the Committee on Interstate and Foreign Commerce.

By Mr. SCOTT of Michigan: A bill (H. R. 3716) to amend sections 2, 13, and 14 of an act entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion, and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea," approved March 4, 1915; to the Committee on the Merchant Marine and Fisheries.

By Mr. MORIN: A bill (H. R. 3717) providing for the erection of a post office in the city of Pittsburgh, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3718) to create a department of aeronautics, defining the powers and duties of the director thereof, providing for the development, production, operation, and maintenance of aircraft, and providing for the development of civil and commercial aviation; to the Committee on Military Affairs.

Also, a bill (H. R. 3719) to amend section 1274, Revised Statutes of the United States; to the Committee on Military Affairs.

By Mr. RHODES: A bill (H. R. 3720) to provide for the uniform selection and purchase of coal and other fuel for use by the Federal Government; to the Committee on Mines and Mining.

Also, a bill (H. R. 3721) to authorize and provide for the acquisition of title to lands to be used as a Government fuel yard, and for other purposes; to the Committee on Mines and Mining.

By Mr. RICKETTS: A bill (H. R. 3722) providing monthly payment of pensions; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3723) to provide for old-age pensions; to the Committee on Labor.

Also, a bill (H. R. 3724) to authorize the acquisition of a site and the erection of a Federal building at Circleville, Pickaway County, Ohio; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3725) to authorize the acquisition of a site and the erection of a Federal building at New Lexington, Perry County, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. BANKHEAD: A bill (H. R. 3726) to encourage the development of the agricultural resources of the United States through Federal and State cooperation, giving preference in the matter of employment and the establishment of rural homes to those who have served with the military and naval forces of the United States; to the Committee on Irrigation of Arid Lands.

By Mr. DYER: A bill (H. R. 3727) to provide for payments to ex-Presidents of the United States; to the Committee on the Judiciary.

By Mr. STERLING:

A joint resolution (S. J. Res. 26) relating to the use of net earnings derived by the United States from the Federal reserve banks in the years 1921, 1922, and 1923, being the earnings accrued and accruing during the years 1920, 1921, and 1922; to the Committee on Banking and Currency.

CONDITIONS IN IRELAND.

Mr. NORRIS. I introduce a joint resolution, which I ask may be read at length and referred to the Committee on Foreign Relations.

The joint resolution (S. J. Res. 27) protesting against violations of the laws of land warfare committed by the British forces against the Irish people in their struggle for independence was read the first time by its title, the second time at length, and referred to the Committee on Foreign Relations, as follows:

Whereas there is a state of war existing between the Government of Great Britain and the people of Ireland; and

Whereas the armed forces of Great Britain in Ireland have violated the laws of warfare as set forth in The Hague convention of 1907, to which the Government of the United States is a signatory power, in the following particulars:

(1) Prisoners of war are not treated as prisoners of the British Government, but as prisoners of the individuals or corporations that capture them.

(2) Such prisoners are subjected to cruel and inhuman treatment.

(3) Prisoners are assassinated without excuse or trial or the pretext that they are attempting to escape.

(4) The property of prisoners is confiscated.

(5) Prisoners, as well as noncombatant civilians, are compelled by military force to perform excessive labor.

(6) Irish nationals are forced to take part in the operations of war against their own people.

(7) Hostages are carried by the British forces while engaged in war operations.

(8) Irish nationals are forced to swear allegiance to the Government of the invading forces.

(9) Irish citizens are forced under extreme torture to give information about their armed forces.

(10) Family rights and honor, the lives of persons and private property are violated by arson, pillage, and assassination. Husbands and sons are killed in the presence of their wives and mothers. Innocent women and children are shot down in cold blood by soldiers driving through the streets in motor lorries.

(11) Penalties are laid upon towns and villages for the result of the acts of individuals for which they can not be held collectively responsible; homes are broken into in the dead of night, inhabitants terrorized, and the houses looted and burned. During the year 1920 more than 48,000 homes were thus violated.

(12) Factories, creameries, haycricks, and other forms of domestic animals owned by noncombatants are burned and destroyed, leaving thousands of people without means of gaining a livelihood, and thus bringing on much suffering and starvation.

(13) A policy of reprisals has been instituted by which villages are laid waste and homes are destroyed, contrary to the law of nations and of humanity.

(14) The property of religious, educational, and charitable institutions is destroyed; and

Whereas many thousands of loyal citizens of the United States are related by blood to the victims of these atrocities in Ireland; and

Whereas this situation is making it exceedingly difficult to maintain unimpaired and unembarrassed the long-standing good will and common understanding between the United States and Great Britain, which the Congress is zealously desirous of fostering and perpetuating: Now, therefore, be it

Resolved, etc., That the Irish people are entitled to a government of their own choice, and that the Congress views with horror and indignation the continued violation of the dictates of humanity and the laws of war by the armed forces of Great Britain in Ireland, and most solemnly protests to the world against the continuation of such acts of uncivilized warfare.

HEARINGS BEFORE COMMITTEE ON EDUCATION AND LABOR.

Mr. KENYON submitted the following resolution (S. Res. 51), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Education and Labor, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-seventh Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding $1.25 per printed page, 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.

EMPLOYMENT ON PUBLIC WORKS.

Mr. KENYON submitted the following resolution (S. Res. 52), which was referred to the Committee on Education and Labor:

Whereas a temporary decrease in industrial activity has deprived many persons of employment; and

Whereas it is regarded as sound governmental policy to accelerate public works during periods when labor and material are not fully absorbed by private industry and are therefore in plentiful supply; and

Whereas Congress has made appropriations now available for the execution of certain public works; and

Whereas the immediate prosecution of such public works will give employment to large numbers of persons now seeking employment not only directly on the public works but, indirectly, upon the manufacture of the materials required: Therefore be it

Resolved, That the President of the United States be requested, if not incompatible with the public interests, to take measures that the public works of the United States for which appropriations are now available may be expedited and actively prosecuted during the present period of diminished industrial activity.

HOUSE BILL REFERRED.

The bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, was read twice by its title and referred to the Committee on Finance.

DIVERSION DAM ON BIG HORN RIVER, MONT.

Mr. WALSH of Montana. I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 20) making the sum of $150,000 appropriated for the construction of a diversion dam on the Crow Indian Reservation, Mont., immediately available. It is a matter of very great urgency. Opposition to the consideration of the joint resolution was made yesterday by the Senator from Pennsylvania [Mr. PENROSE]. However, I have since spoken to the Senator from Pennsylvania regarding the matter, and he has had an opportunity to consider it. I understand that he is not disposed to urge further his objection. I ask unanimous consent for the immediate consideration of the joint resolution.

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

Mr. PENROSE. I do not object.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That the sum of $150,000 appropriated by the Indian appropriation act, approved March 3, 1921 (Public No. 359, 66th Cong., 3d sess.), for the construction of a diversion dam on the Big Horn River, Crow Indian Reservation, Mont., be, and the same is hereby, made immediately available for the construction of said dam.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STANDING COMMITTEES OF THE SENATE.

The VICE PRESIDENT. The resolution offered by the Senator from Connecticut [Mr. BRANDEGEE] is before the Senate, on which there is pending a motion to refer the resolution to the Committee on Rules.

Mr. HARRISON. Mr. President, on yesterday the senior Senator from Iowa [Mr. CUMMINS], in discussing the point of order upon which an appeal was pending, stated in substance that the action of the Senate in referring the notice and the resolution to the Rules Committee was without authority of the rules, and could not be done. The Senator from Connecticut took the position that although the notice as well as the resolution was referred to the Rules Committee the notice was in the RECORD, was still pending, and that the new resolution that he proposed and that he had made a motion to adopt was in substance the same as the former resolution, and that the rule providing for a notice of 24 hours, or 1 day, would not apply against it.

Just to refresh the Senate's mind about the rule, I want to discuss this one phase of it first. [After a pause.]

Mr. President, I ask unanimous consent that I may be permitted to address the Senate as in open executive session upon the nomination of Col. George Harvey as ambassador to Great Britain.

Mr. LODGE. Mr. President, I think that is a subject which is clearly out of order in open session. Therefore, I have to make the point of order against it.

The VICE PRESIDENT. The Chair did not understand the request of the Senator from Mississippi.

Mr. HARRISON. I realize that under the rules I should have to get unanimous consent for my proposition, and I understand that the Senator from Massachusetts wants to make a motion to go into executive session. I am propounding now a unanimous-consent request that I may be permitted to address the Senate at this time on the nomination of Col. George Harvey, in open session of the Senate.

Mr. LODGE. To that I object, Mr. President.

The VICE PRESIDENT. Unanimous consent is not granted.

Mr. HARRISON. Do I understand the objection to be sustained?

Mr. LODGE. I made an objection.

The VICE PRESIDENT. Unanimous consent is not granted.

EXECUTIVE SESSION.

Mr. LODGE. Mr. President, if the Senator from Mississippi will allow me to make a suggestion. I understand that there is no Senator who desires to go on with the discussion of the

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. BALL (when his name was called). Making the same announcement as to my pair and its transfer as on the previous vote, I vote "yea."

Mr. BROUSSARD (when his name was called). I have a pair with the senior Senator from New Hampshire [Mr. MOSES]. I transfer that pair to the senior Senator from Louisiana [Mr. RANSDELL] and vote "nay."

Mr. DIAL (when his name was called). I have a pair with the Senator from Colorado [Mr. PHIPPS]. I transfer that pair to the Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. TRAMMELL (when Mr. FLETCHER's name was called). I desire to announce the unavoidable absence of my colleague, the senior Senator from Florida [Mr. FLETCHER]. He has a pair with the Senator from Delaware [Mr. BALL]. If my colleague were present, he would vote "nay."

Mr. MYERS (when his name was called). I have a pair with the Senator from Connecticut [Mr. MCLEAN]. I am informed, however, that if he were present he would vote as I intend to vote. I therefore feel at liberty to vote and vote "yea."

Mr. NELSON (when his name was called). On this question I have a pair with the junior Senator from Pennsylvania [Mr. KNOX]. If he were present, he would vote "yea," and if I were at liberty to vote I should vote "nay."

Mr. OVERMAN (when his name was called). At the earnest solicitation of the Senator from Missouri [Mr. REED], who was obliged to leave the city, I agreed to pair with him on this vote. If he were present, he would vote "yea" and I would vote "nay."

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Minnesota [Mr. KELLOGG], who is unavoidably absent. If he were present he would vote "yea," and if I were at liberty to vote I should vote "nay."

Mr. DIAL (when the name of Mr. SMITH was called). I desire to announce that my colleague [Mr. SMITH] is detained on official business. He has a pair with the Senator from South Dakota [Mr. STERLING]. If my colleague were present he would vote "nay."

Mr. STERLING (when his name was called). Announcing my pair as on the previous vote, I transfer that pair to the Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. SIMMONS (when the name of Mr. WALSH of Massachusetts was called). I am requested to announce that the Senator from Massachusetts [Mr. WALSH] is unavoidably absent. I am advised that if he were present he would vote "yea."

Mr. NEW (when the name of Mr. WATSON of Indiana was called). I am requested to announce the absence of my colleague [Mr. WATSON of Indiana] on official business. He is paired with the Senator from Delaware [Mr. WOLCOTT]. If present and permitted to vote, my colleague would vote "yea."

Mr. WOLCOTT (when his name was called). As last stated by his colleague, I have a general pair with the Senator from Indiana [Mr. WATSON], who would vote as announced. Under the obligations of that pair, I am not permitted to vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. KING (after having voted in the negative). I very much regret that I am compelled to withdraw my vote. I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. Being unable to secure a transfer, I am compelled to withdraw my vote.

Mr. STANLEY. I desire to announce that the Senator from Texas [Mr. CULBERSON], under a transfer, stands paired with the Senator from Colorado [Mr. PHIPPS]. If present and at liberty to vote, the Senator from Texas would vote "nay."

Mr. UNDERWOOD. I am requested to announce the absence of the senior Senator from Oklahoma [Mr. OWEN] on account of important business. He is paired with the Senator from New Jersey [Mr. EDGE]. If he were present, the Senator from Oklahoma would vote "nay."

Mr. BROUSSARD. The senior Senator from Louisiana [Mr. RANSDELL] requests me to make the announcement that he is unavoidably detained. If he were present, he would vote "nay."

Mr. CURTIS. I desire to announce the absence of the Senator from Kentucky [Mr. ERNST], on account of illness in his family, and that if present he would vote for the joint resolution.

I also desire to announce that the Senator from New York [Mr. CALDER] is necessarily absent, and if present would vote for the joint resolution. He has a general pair with the Senator from Georgia [Mr. HARRIS].

I desire further to announce that the Senator from New Hampshire [Mr. MOSES], the Senator from Colorado [Mr. PHIPPS], and the Senator from New Jersey [Mr. EDGE] are unavoidably absent. If present, they would vote for the joint resolution.

I desire also to announce that the Senator from Vermont [Mr. PAGE] is necessarily absent. If present, he would vote for the joint resolution.

The result was announced—yeas 49, nays 23, as follows:

YEAS—49.

Ball	Frelinghuysen	McKinley	Spencer
Borah	Gooding	McNary	Stanfield
Brandegee	Hale	Myers	Sterling
Bursum	Harreld	New	Sutherland
Cameron	Johnson	Nicholson	Townsend
Capper	Jones, Wash.	Norbeck	Wadsworth
Colt	Kenyon	Norris	Warren
Cummins	Keyes	Oddie	Watson, Ga.
Curtis	Ladd	Penrose	Weller
Dillingham	La Follette	Poindexter	Willis
Elkins	Lenroot	Shields	
Fernald	Lodge	Shortridge	
France	McCormick	Smoot	

NAYS—23.

Ashurst	Harris	McKellar	Swanson
Broussard	Harrison	Pittman	Trammell
Caraway	Heflin	Pomerene	Underwood
Dial	Hitchcock	Robinson	Walsh, Mont.
Gerry	Jones, N. Mex.	Sheppard	Williams
Glass	Kendrick	Stanley	

NOT VOTING—24.

Calder	King	Newberry	Reed
Culberson	Knox	Overman	Simmons
Edge	McCumber	Owen	Smith
Ernst	McLean	Page	Walsh, Mass.
Fletcher	Moses	Phipps	Watson, Ind.
Kellogg	Nelson	Ransdell	Wolcott

So the joint resolution was passed.

The title was amended so as to read: "A joint resolution repealing the joint resolution of April 6, 1917, declaring a state of war to exist between the United States and Germany, and the joint resolution of December 7, 1917, declaring a state of war to exist between the United States and the Imperial and Royal Austro-Hungarian Government, and for other purposes."

EMERGENCY TARIFF.

Mr. PENROSE. Mr. President, I am directed by the Committee on Finance to report back to the Senate with an amendment and with the recommendation that it pass the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes. I also submit a report (No. 16) thereon.

I desire to inform the Senate that I shall endeavor to call the measure up for consideration either on Monday or at the latest on Tuesday of next week, the purpose being to expedite its consideration and passage as rapidly as may be.

The VICE PRESIDENT. The bill will be placed on the calendar.

RESTRICTION OF IMMIGRATION.

Mr. DILLINGHAM, from the Committee on Immigration, to which was referred the bill (H. R. 4075) to limit the immigration of aliens into the United States, reported it with an amendment in the nature of a substitute and submitted a report (No. 17) thereon.

ADJOURNMENT.

Mr. LODGE. I move that the Senate adjourn.

The motion was agreed to; and (at 7 o'clock and 25 minutes p. m.) the Senate adjourned until Monday, May 2, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *April 30, 1921.*

The House met at 12 o'clock noon.

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

Almighty God, all is well: Therefore we lift our hearts to Thee in common thanksgiving, and bless Thee for daily care. Gladden every life, and direct us with a gentle constraint to bear and forbear. Fill our land with peace and contentment, and abide with our President. Through Jesus Christ our Lord. Amen.

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

"By eliminating the expense of the soliciting and general agents we would reduce the cost of such insurance by 50 per cent in most cases. It will be the poor farmers who will be required by the credit society to carry insurance as a basis for credit, for the wealthy who have accumulated wealth to pledge for credit will not be required to furnish insurance. It therefore behooves us to reduce the cost of such insurance to a minimum. It is the purpose of this bill to conserve every sound, economic, and efficient insurance company in the country. By acting as the reinsurance agent for the sound 'county mutuals' the proposed insurance league would greatly extend the usefulness of the latter.

"Our farmers in many States have sound fire insurance through their 'county mutuals,' their risks being so widely scattered as to prevent a 'conflagration loss,' such as occasionally happens in the cities. The Baltimore and San Francisco fires wiped out all their local fire insurance companies, their unfortunate premium payers losing everything. The city man has no protection against a conflagration loss when he insures in a local fire insurance company, which limits its business to that one city.

"In the matter of crop, or even frost, insurance, the farmer is in the same position as is the city dweller respecting fire insurance. Sound crop and frost insurance requires an area of operation much larger than any one State.

"Therefore, if the farmers of one State secure a charter from their State to do a safe crop or frost insurance business they would be forced to leave their own State in order to furnish safe protection. But the moment they enter such other State their company becomes a foreign company, just as foreign as any British or German company doing business for profit is, and must comply with the same laws as are imposed on them, even though the proposed company enters such other State not for profit, but to afford themselves and the farmers of such other States absolute security in the production of agriculture for the whole nation. Congress can relieve this situation by granting the Federal charter of the McFadden-Kenyon bill for the multiple insurance league. Then it would be just as much at home in one State as in another, just like a national bank, which receives its charter from Congress, the only body authorized to legislate for it. If Congress can grant charters to national banks solely to make money, it certainly can grant such a charter as that proposed in the McFadden-Kenyon bill to aid agricultural production. The only Congressmen who would oppose such a measure are those who act one way in an open session and just the contrary in executive or secret session.

"The principles of the McFadden-Kenyon bill have been indorsed by numerous live stock associations, the American Agricultural Editors' Association, the executive committee of the American Farm Bureau Federation, and by some of the best thinkers of our agricultural colleges."

"PRODUCTION CREDIT FOR FARMERS."

"On another page of to-day's Star is published an article in explanation of the McFadden-Kenyon rural credit and multiple insurance bill, passage of which at the present session of Congress is being urged by the united agricultural interests of the country. Briefly stated, the purpose of the bill is to make available to American farmers credit facilities equal to those enjoyed by industrial and commercial interests, and the multiple-insurance feature is joined to the credit measure because the farmer's insurance policies are to constitute an additional security for his loans.

"That a more advantageous system of credits is one of the great needs of American agriculture has long been recognized. Deposit banks have not been able to provide such a credit, because sounding banking practice forbids that the demand funds of depositors shall be tied up in long-time loans. Thirty, sixty, or even ninety day loans do the farmer little good, for, unlike merchant or manufacturer, he will make, as a rule, but one turnover of his capital in a year. Experience has demonstrated that the average credit need of agriculture is for a loan maturing in about 11 months.

"The McFadden-Kenyon bill very wisely provides that loans under the proposed system shall be for production only. No loans would be made under it for the purchase of land or luxuries or for any purpose except to further the processes of production. That a better system of credits should be made available to agriculture is of as great concern to the city dweller as it is to the tiller of the soil, and the results sought to be accomplished by the McFadden-Kenyon bill would benefit all the people.

"But the measure is marred by one feature which is objectionable in theory and dangerous as a precedent. It is provided that the initial capital for the banking system shall consist of $25,000,000, advanced from the National Treasury without interest. It is true that repayment of this loan is contemplated through creation of a sinking fund derived from an assessment of one-tenth of 1 per cent of the interest proceeds of each loan, but it is contended by proponents of the measure that interest can not be paid the Government without defeating the objects sought by unduly enhancing the interest rate to borrowers.

"This argument seems hardly a valid one. With the one-tenth of 1 per cent set aside as an amortization fund for the repayment of principal and interest, there need be no increase in interest rates to borrowers at all, merely an extension of the period for discharge of the obligation. In the present condition of national finances for the Treasury to advance $25,000,000 to the rural credits bank means that the Government must go into the market and borrow that much money at current interest rates. If the Government is to be repaid principal and interest, it is merely lending its credit for the accomplishment of a general good and the process is not open to serious objection. But if the interest on the 25,000,000 is to be an outright gift to the farmers, it becomes a case of taxing money out of one man's pockets to put it into the pockets of another, which is the most objectionable kind of class legislation."

LEWIS CLARKE LUCAS.

Mr. WILLIS. Mr. President, on April 21 last I introduced a bill (S. 1073) for the relief of Lewis Clarke Lucas. Col. Lucas was an officer in the Marine Corps, and the bill, therefore, should have been referred to the Committee on Naval Affairs, but it went to the Committee on Military Affairs. I ask unanimous consent that the Committee on Military Affairs be discharged from the further consideration of the bill, and that it be referred to the Committee on Naval Affairs.

The VICE PRESIDENT. If there is no objection, such will be the order.

HEARINGS BEFORE COMMITTEE ON INDIAN AFFAIRS.

Mr. CURTIS submitted the following resolution (S. Res. 62), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Indian Affairs, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-seventh Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer at a cost not exceeding $1.25 per printed page; to report such hearings as may be had in connection with any subject which may be pending 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 and at such time and place as it may deem necessary, the expenses of travel incident to the sessions of said committee or any subcommittee thereof to be paid from the contingent fund of the Senate.

HOUSE BILL AND JOINT RESOLUTION REFERRED.

The following bill and joint resolution were read twice by title and referred as indicated below:

A bill (H. R. 3152) granting the consent of Congress to the Ironton & Russell Bridge Co. to construct a bridge across the Ohio River at or near the city of Ironton, Ohio, and between the county of Lawrence, Ohio, and the county of Greenup, Ky.; to the Committee on Commerce.

A joint resolution (H. J. Res. 52) to authorize the Secretary of the Interior, in his discretion, to furnish water to applicants and entrymen in arrears for more than one calendar year of payment for maintenance or construction charges, notwithstanding the provisions of section 6 of the act of August 13, 1914; to the Committee on Irrigation and Reclamation.

EMERGENCY TARIFF.

Mr. PENROSE. I move that the Senate proceed to the consideration of House bill 2435, known as the emergency tariff bill, and I call the attention of the Senator from North Carolina [Mr. SIMMONS] to the motion.

Mr. SIMMONS. Mr. President, I should like to inquire of the Senator, if the bill is to be made the unfinished business of the Senate, when he proposes to take it up for discussion?

Mr. PENROSE. My purpose in making the motion is to make the bill the unfinished business. I would be greatly gratified to be able to go on with the bill to-day; I know that a number of Senators are anxiously awaiting the passage of the measure; but of course I want to consult the convenience of the leader of the minority on this particular legislation, and I should be glad to have any suggestions that the Senator from North Carolina may care to make as to when the bill should come up.

Mr. SIMMONS. Mr. President, I have no objection to the bill being made the unfinished business of the Senate, but we have only this morning received copies of the hearings. There were rather extensive and illuminative hearings taken by the Committee on Finance upon the two principal changes which

have been made in the emergency tariff bill since the Senate had it under consideration at the last session. Those changes relate to the antidumping provisions and to the provision regulating the valuation of foreign imports. Senators, of course, ought to have some time to examine the hearings before we begin a discussion of the bill, and such opportunity has been denied them until to-day. The two amendments are of very great importance; they are almost of as much importance to the general industries of the country as the emergency tariff provisions are to the agricultural industry. I suggest to the Senator that he postpone taking the bill up in the Senate until to-morrow at least. I prefer that he fix Wednesday as the date, but if the Senator thinks that is more time than is necessary for Senators to advise themselves with reference to the hearings and to consider the bill as it has been amended, I will not object to its being taken up to-morrow.

Mr. PENROSE. Mr. President, I realize the force of what the Senator from North Carolina has stated. The final print of the bill and of the report was not available until this morning. The amendments to the measure as it passed the House are complex and far-reaching and somewhat complicated concerning the antidumping and valuation clauses. Anxious as I am to pass the measure promptly, I realize that nothing could be gained by undue haste in pushing a measure that Senators have not had a reasonable opportunity fully to examine. Therefore I will press my motion now to proceed with the consideration of the bill, with the understanding that, should the motion be agreed to, I will ask unanimous consent that the bill be laid aside until to-morrow, when I hope the Senator from North Carolina will consent, at least, to have any Senator who is ready to proceed go on with any remarks he may desire to make on the measure.

Mr. SIMMONS. Mr. President, I am not prepared now to make any arrangement as to the course of the discussion; I should rather merely ask that the bill be not taken up until to-morrow. That will be satisfactory to me.

Mr. PENROSE. Then I will press the motion now and ask the Chair to put the question.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Pennsylvania that the Senate proceed to the consideration of the bill named by him.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenues; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

Mr. PENROSE. I ask unanimous consent that the unfinished business be temporarily laid aside. I desire at the same time to inform the Senate that my purpose is to bring the bill up to-morrow, and, if proper and reasonable, I shall ask to have the bill proceeded with.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania that the unfinished business be temporarily laid aside? The Chair hears none, and that order is made.

ORDER OF BUSINESS.

Mr. COLT. Mr. President, the unfinished business having been temporarily laid aside, I ask unanimous consent for the immediate consideration of the bill (H. R. 4075) to limit the immigration of aliens into the United States.

Mr. EDGE. Mr. President, I note by the calendar that the immigration bill is on the calendar about the tenth in regular order. Understanding that this is Calendar Monday, and that perhaps those bills on the calendar preceding the immigration bill may be passed by rather quickly, I ask the Senator if he will not defer making his request until the calendar has been called and passed over. I am particularly interested in the third bill on the calendar, being Senate bill 86, introduced by myself. The importance of the early passage of that bill I think I can make apparent to the Senate in about two minutes. I should like, if possible, to have it passed in the regular way as it is reached on the calendar to-day. Of course, I understand that under the rule applicable to the morning hour bills on the calendar, if they provoke debate of more than five minutes and are objected to, have to go over, but I think if I may be permitted a few minutes to explain why the bill should pass that it probably will receive the unanimous approval of the Senators in the Chamber.

Mr. SMOOT. The Senator does not expect to pass that bill under the five-minute rule?

Mr. EDGE. I can see no reason why it should not pass. It merely involves a simple amendment to what is known as the Federal reserve act. It has met general approval; it has been unanimously indorsed by the Federal Reserve Board, and I am quite sure that when it comes up under the five-minute rule I can explain it—I hope I can, at least—so that Senators will be unanimous to have it passed.

Mr. SMOOT. I hardly think the Senator means that it is the third bill on the calendar. The third bill on the calendar is the bill to create a bureau of aeronautics in the Navy Department.

Mr. EDGE. The bill to which I refer and which I have in my hand is a bill to amend section 25(a) of the act approved December 23, 1913, known as the Federal reserve act. It simply involves an amendment to that act.

Mr. SMOOT. That is the second bill on the calendar.

Mr. EDGE. I am merely consulting the calendar that I have in my hand. It may be an old one.

THE CALENDAR.

The VICE PRESIDENT. The calendar under Rule VIII is in order. The Secretary will state the first bill on the calendar.

ADDITIONAL DISTRICT JUDGE IN ARIZONA.

The first business on the calendar was the bill (S. 395) providing for an additional judge for the district of Arizona.

Mr. SMOOT. A similar bill was passed at the last session.

Mr. ASHURST. It has passed twice before.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the President of the United States shall appoint, by and with the advice and consent of the Senate, an additional judge for the district of Arizona, who shall reside in said district and shall possess the same qualifications and have the same powers and jurisdiction and receive the same salary now prescribed by law in respect of the present district judge therein.

SEC. 2. That the clerk of the district court for the district of Arizona and the marshal and district attorney for said district shall perform the duties appertaining to their offices, respectively, for said court.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL RESERVE ACT.

The bill (S. 86) to amend the act approved December 23, 1913, known as the Federal reserve act, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Banking and Currency with an amendment.

Mr. EDGE. Mr. President——

The VICE PRESIDENT. The amendment of the committee will be stated.

The ASSISTANT SECRETARY. The committee reports the following amendment——

Mr. LA FOLLETTE. Mr. President, I ask that the bill go over, unless an explanation is made.

Mr. EDGE. I am addressing the Chair for the purpose of making an explanation.

Mr. LA FOLLETTE. I was waiting for that, but it seemed that the bill was likely to pass without anything being said.

Mr. EDGE. No; I simply thought the committee amendment might be adopted first. I had no intention of having the bill passed without making the explanation. If the Senator desires it, I will make it before the committee amendment is considered.

This bill was prepared under the direction of the Federal Reserve Board, to amend the act providing for the incorporation of banking institutions for the purpose of engaging in international trade. The amendment, briefly, simply provides this:

The original act provides that when banks are incorporated for the purpose of engaging in foreign trade, 25 per cent of the stock subscribed shall be paid at once, the minimum amount of capital of any corporation organized under the act being $2,000,000. It provides, further, that after the 25 per cent has been paid, 10 per cent shall be paid every 60 days until the entire 100 per cent has been paid. This amendment provides that after the 25 per cent has been paid, providing there is in the treasury at least $2,000,000, at the option of the directors of the bank, under the control and supervision of the Federal Reserve Board, the additional payments of 10 per cent can be called by the directors as they deem such additional capital necessary.

In endeavoring to incorporate a corporation now with a capital of $100,000,000—which is extremely important, I will say, if we are going to try to market our surplus products of cotton and of corn and of wheat and of tobacco and of various other commodities—it has been found very difficult to secure subscriptions from associations, from farmers, from banks, and from others who would naturally be interested because of being interested in exporting their goods, where it is automatically required that they must pay in this very large sum of money every two months following the 25 per cent original payment. It is certainly bad business to require the payment of money before the money is needed. Money is not so plenti-

shall have a part in procuring the excessive expenditures beyond the effect of his mere candidacy in evoking spontaneous contributions and expenditures by his supporters; and that his remaining in the field and participating in the ordinary activities of the campaign with knowledge that such activities furnish in a general sense the 'occasion' for the expenditure is not to be regarded as a 'causing' by the candidate of such expenditure within the meaning of the statute.

"The state of the evidence made it important that, in connection with that portion of the charge above quoted, the jury should be cautioned that unless it was a part of defendants' plan that Mr. NEWBERRY should actually participate in giving, contributing, expending, using, or promising, or causing to be given, contributed, expended, used, or promised, moneys in excess of the limited amount—either himself or through others as his agents—his mere participation in the activities of the campaign, even with knowledge that moneys spontaneously contributed and expended by others, without his agency, procurement, or assistance, were to be or were being expended, would not of itself amount to his causing such excessive expenditure. The effect of the instruction that was given may well have been to convey to the jury the view that Mr. Newberry's conduct in becoming and remaining a candidate with knowledge that spontaneous contributions and expenditures of money by his supporters would exceed the statutory limit and his active participation in the campaign were necessarily equivalent to an active participation by him in causing the expenditure and use of an excessive sum of money, and that a combination among defendants having for its object Mr. Newberry's participation in a campaign where money in excess of the prescribed limit was to be expended even without his participation in the contribution or expenditure of such money, amounted to a conspiracy on their part to commit an offense against the act.

"For error in the instructions in this particular the judgment should be reversed, with directions for a new trial.

"Mr. Justice Brandeis and Mr. Justice Clarke concur in this opinion."

EMERGENCY TARIFF.

The VICE PRESIDENT. The morning business is closed and the calendar under Rule VIII is in order.

Mr. PENROSE. I move that the Senate proceed to the consideration of House bill 2435, the so-called emergency tariff bill, which is the unfinished business before the Senate.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, which had been reported from the Committee on Finance with an amendment.

Mr. PENROSE. I suggest that the bill be read for action in reference to the committee amendment.

The VICE PRESIDENT. The Senator from Pennsylvania asks unanimous consent that the bill be read for the purpose of amendment, the committee amendment to be first considered.

Mr. UNDERWOOD. Just one minute, Mr. President.

Mr. SIMMONS. Mr. President, do I understand that the Senator is suggesting now that we enter immediately upon the consideration of amendments?

Mr. PENROSE. I can not hear what the Senator says in the confusion prevailing.

The VICE PRESIDENT. Neither can the Chair.

Mr. SIMMONS. Mr. President, I was inquiring of the Senator from Pennsylvania whether it was his suggestion that the amendments be read with a view to immediate action upon them as they are reached in the reading.

Mr. PENROSE. I suppose they should be read formally. I do not expect immediate action on the details of the committee amendment, but it certainly ought to be laid before the Senate.

Mr. SIMMONS. If the only purpose of the reading is that the Senate may be advised as to the amendments, I have no objection; but if it is the purpose to take up the amendments as they are reached, discuss them, and vote upon them, I think that would be rather premature.

The VICE PRESIDENT. The Chair is advised that there is but one committee amendment to the bill.

Mr. SMOOT. There is only one amendment.

Mr. McCUMBER. I was about to suggest to the Senator that the committee, as he will remember, struck out Title II and substituted what appears as an amendment. I understand the Senator from Pennsylvania has asked unanimous consent that the formal reading of the bill be dispensed with, and that the committee amendment may be read. Then the whole matter will be open for discussion.

Mr. SIMMONS. If that is the purpose, I have no objection. It is true, as the Senator from North Dakota has stated, that there is only one amendment, but that amendment embraces quite a number of separate and distinct propositions.

Mr. PENROSE. And entirely new propositions.

Mr. SIMMONS. It covers six or seven pages of the bill.

Mr. UNDERWOOD. I have no objection to what the Senator from Pennsylvania asks, except that I should like to have an understanding about it. There is but one amendment, and if that is read now, it may be adopted at any moment. There will no doubt be some amendments offered to the amendment. If it were adopted, it might raise a question as to whether there could be separate votes on those amendments. If it is understood that the committee amendment is not to be pushed to a vote immediately, so that after action upon it there could not be any amendment made to it, I have no objection to the proposal.

Mr. PENROSE. Mr. President, of course I have not the slightest notion of taking any snap judgment in this matter, and I shall be very glad to confer with the Senator from North Carolina [Mr. SIMMONS] as the minority leader on this legislation, or with the Senator from Alabama [Mr. UNDERWOOD], before any final action is arrived at.

I ought to inform the Senate that the tariff features of this measure are absolutely unamended and unchanged; they are the same as they were in the bill which was passed in the last Congress and failed to receive the approval of the then President. The change is in the amendment relating to the antidumping and valuation features. The Finance Committee, having a little more time to give to the subject, and a little more light having been thrown upon it than was available in the House, apparently, has reported to the Senate for their consideration what is largely a new measure. I ask to have it read in order that it may be laid before the Senate.

I take this opportunity, Mr. President, to state that at the proper time in the debate I hope briefly and concisely to address the Senate, explaining the action of the committee. In the meanwhile, I call to the attention of the Senate the rather detailed and elaborate report which has been compiled, explaining all the changes.

Mr. UNDERWOOD. Mr. President, I do not see any objection in the world to dispensing with the formal reading of the bill and proceeding with the reading of the committee amendment, with the understanding that, of course, we would like to have the bill considered for a day or two, to give opportunity for debate, before it is voted upon. With that understanding, I see no objection to the course suggested.

Mr. PENROSE. Of course, Mr. President, as far as I am concerned, that will be the program. If the Senator from Alabama desires to have the whole bill read, very well.

Mr. UNDERWOOD. As I said, I have no objection to dispensing with the formal reading of the bill, with that understanding.

The VICE PRESIDENT. The Secretary will read the bill for amendment, the amendment of the committee to be first considered.

The bill was read to the end of section 5, page 6, line 19.

The ASSISTANT SECRETARY. The committee proposes to strike out all of Title II, antidumping, as printed in the bill, and to insert a new Title II and a new Title III, to read as follows:

TITLE II.—ANTIDUMPING.

DUMPING INVESTIGATION.

SEC. 201. (a) That whenever the Secretary of the Treasury (hereinafter in this act called the "Secretary"), after such investigation as he deems necessary, finds that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of a class or kind of foreign merchandise, and that merchandise of such class or kind is being sold or is likely to be sold in the United States or elsewhere at less than its fair value, then he shall make such finding public to the extent he deems necessary, together with a description of the class or kind of merchandise to which it applies in such detail as may be necessary for the guidance of the appraising officers.

(b) The powers and duties conferred or imposed upon the Secretary by this section may be exercised by him through such agency or agencies as he may designate.

SPECIAL DUMPING AGENCY.

SEC. 202. (a) That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no report to the collector before such finding has been so made public, if the purchase price or the exporter's sales price is less than the foreign market value (or, in the absence of such value, than the cost of production) there shall be levied, collected, and paid, in addition to the duties imposed thereon by law, a special dumping duty in an amount equal to such difference.

(b) If it is established to the satisfaction of the appraising officers, under regulations prescribed by the Secretary, that the amount of such difference between the purchase price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers for exportation to the United States in the ordinary course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then, under regulations prescribed by the Secretary, the foreign market value shall for the purposes of this section be decreased accordingly.

(c) If it is established to the satisfaction of the appraising officers, under regulations prescribed by the Secretary, that the amount of such difference between the exporter's sales price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the United States in the ordinary course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then, under regulations prescribed by the Secretary, the foreign market value shall for the purposes of this section be decreased accordingly.

PURCHASE PRICE.

SEC. 203. That for the purposes of this title, the purchase price of imported merchandise shall be the price at which such merchandise has been purchased or agreed to be purchased, prior to the time of exportation, by the person by whom or for whose account the merchandise is imported, including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price, attributable to any costs, charges, United States import duties, and expenses, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States; and plus the amount, if not included in such price, of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller, in respect to the manufacture, production, or sale of the merchandise, which have been rebated or which have not been collected, by reason of the exportation of the merchandise to the United States.

EXPORTER'S SALES PRICE.

SEC. 204. That for the purpose of this title the exporter's sales price of imported merchandise shall be the price at which such merchandise is sold or agreed to be sold in the United States, before or after the time of importation, by or for the account of the exporter, including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less (1) the amount, if any, included in such price, attributable to any costs, charges, United States import duties, and expenses, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, (2) the amount of the commission, if any, for selling in the United States the particular merchandise under consideration, (3) an amount equal to the expenses, if any, generally incurred by or for the account of the exporter in the United States in selling identical or substantially identical merchandise, and (4) the amount of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller in respect to the manufacture, production, or sale of the merchandise, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States.

FOREIGN MARKET VALUE.

SEC. 205. That for the purposes of this title the foreign market value of imported merchandise shall be the price, at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition packed ready for shipment to the United States, except that in the case of merchandise purchased or agreed to be purchased by the person by whom or for whose account the merchandise is imported, prior to the time of exportation, the foreign market value shall be ascertained as of the date of such purchase or agreement to purchase.

COST OF PRODUCTION.

SEC. 206. That for the purposes of this title the cost of production of imported merchandise shall be the sum of—

(1) The cost of materials of, and of fabrication, manipulation, or other process employed in manufacturing or producing, identical or substantially identical merchandise, at a time preceding the date of shipment of the particular merchandise under consideration which would ordinarily permit the manufacture or production of the particular merchandise under consideration in the usual course of business;

(2) The usual general expenses (not less than 10 per cent of such cost) in the case of identical or substantially identical merchandise;

(3) The cost of all containers and coverings, and all other costs, charges, and expenses incident to placing the particular merchandise under consideration in condition, packed ready for shipment to the United States; and

(4) An addition for profit (not less than 8 per cent of the sum of the amounts found under paragraphs (1) and (2)) equal to the profit which is ordinarily added, in the case of merchandise of the same general character as the particular merchandise under consideration, by manufacturers or producers in the country of manufacture or production who are engaged in the same general trade as the manufacturer or producer of the particular merchandise under consideration.

EXPORTER.

SEC. 207. That for the purposes of this title the exporter of imported merchandise shall be the person by whom or for whose account the merchandise is imported into the United States:

(1) If such person is the agent or principal of the exporter, manufacturer, or producer; or

(2) If such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business of the exporter, manufacturer, or producer; or

(3) If the exporter, manufacturer, or producer owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in any business conducted by such person; or

(4) If any person or persons, jointly or severally, directly or indirectly, through stock ownership or control or otherwise, own or control in the aggregate 20 per cent or more of the voting power or control in the business carried on by the person by whom or for whose account the merchandise is imported into the United States, and also 20 per cent or more of such power or control in the business of the exporter, manufacturer, or producer.

OATHS AND BONDS OF ENTRY.

SEC. 208. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and delivery of which has not been made by the collector before such finding has been so made public, unless the person by whom or for whose account such merchandise is imported makes oath before the collector, under regulations prescribed by the Secretary, that he is not an exporter, or unless such person declares under oath at the time of entry, under regulations prescribed by the Secretary, the exporter's sales price of such merchandise, it shall be unlawful for the collector to deliver the merchandise until such person has made oath before the collector, under regulations prescribed by the Secretary, that the merchandise has not been sold or agreed to be sold by such person, and has given bond to the collector, under regulations prescribed by the Secretary, with sureties approved by the collector, in an amount equal to the estimated value of the merchandise, conditioned: (1) That he will report to the collector the exporter's sales price of the merchandise within 30 days after such merchandise has been sold or agreed to be sold in the United States, (2) that he will pay on demand from the collector the amount of special dumping duty, if any, imposed by this title upon such merchandise, and (3) that he will furnish to the collector such information as may be in his possession and as may be necessary for the ascertainment of such duty, and will keep such records as to the sale of such merchandise as the Secretary may by regulation prescribe.

DUTIES OF APPRAISERS.

SEC. 209. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no report to the collector before such finding has been so made public, it shall be the duty of each appraiser or person acting as appraiser, by all reasonable ways and means to ascertain, estimate, and appraise any invoice or affidavit thereto or statement of cost of production to the contrary notwithstanding) and report to the collector the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and any other facts which the Secretary may deem necessary for the purposes of this title.

APPEALS AND PROTESTS.

SEC. 210. That for the purposes of this title the determination of the appraiser or person acting as appraiser as to the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and the action of the collector in assessing special dumping duty, shall have the same force and effect and be subject to the same right of appeal and protest, under the same conditions and subject to the same limitations; and the general appraisers, the Board of General Appraisers, and the Court of Customs Appeals shall have the same jurisdiction, powers, and duties in connection with such appeals and protests as in the case of appeals and protests relating to customs duties under existing law.

DRAWBACKS.

SEC. 211. That the special dumping duty imposed by this title shall be treated in all respects as regular customs duties within the meaning of all laws relating to the drawback of customs duties.

SHORT TITLE.

SEC. 212. That this title may be cited as the "Antidumping act, 1921."

TITLE III.—ASSESSMENT OF AD VALOREM DUTIES.

SEC. 301. That whenever merchandise which is imported into the United States is subject to an ad valorem rate or duty or to a duty based upon or regulated in any manner by the value thereof, duty shall in no case be assessed on a value less than the export value of such merchandise.

EXPORT VALUE.

SEC. 302. That for the purposes of this title the export value of imported merchandise shall be the price, at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade, for exportation to the United States, including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price, attributable to any costs, charges, United States import duties, and expenses, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, and plus, if not included in such price, the amount of any export tax imposed by the country of exportation on merchandise exported to the United States.

REFERENCES TO "VALUE" IN EXISTING LAW.

SEC. 303. (a) That wherever in Title I of this act, or in the tariff act of 1913, as amended, or in any law of the United States in existence at the time of the enactment of this act relative to the appraisement of imported merchandise (except secs. 2874, 2976, and 3016 of the Revised Statutes, and sec. 801 of the revenue act of 1916), reference

is made to the value of imported merchandise (irrespective of the particular phraseology used and irrespective of whether or not such phraseology is limited or qualified by words referring to country or port of exportation or principal markets) such reference shall, in respect to all merchandise imported on or after the day this act takes effect, be construed to refer, except as provided in subdivision (b), to actual market value as defined by the law in existence at the time of the enactment of this act, or to export value as defined by section 302 of this act, whichever is higher.

(b) If the rate of duty upon imported merchandise is in any manner dependent upon the value of any component material thereof, such value shall be an amount determined under the provisions of the tariff act of 1913, as in force prior to the enactment of this act.

DEFINITIONS.

SEC. 304. That when used in this title the term "Tariff act of 1913" means the act entitled "An act to reduce tariff duties and provide revenue for the Government, and for other purposes," approved October 3, 1913.

TITLE IV.—GENERAL PROVISIONS.

STATEMENTS IN INVOICE.

SEC. 401. That all invoices of imported merchandise, and all statements in the form of an invoice, in addition to the statements required by law in existence at the time of the enactment of this act, shall contain such other statements as the Secretary may by regulation prescribe, and a statement as to the currency in which made out specifying whether gold, silver, or paper.

STATEMENTS AT TIME OF ENTRY.

SEC. 402. That the owner, importer, consignee, or agent, making entry of imported merchandise, shall set forth upon the invoice, or statement in the form of an invoice, and in the entry, in addition to the statements required by the law in existence at the time of the enactment of this act, such statements, under oath if required, as the Secretary may by regulation prescribe.

CONVERSION OF CURRENCY.

SEC. 403. (a) That section 25 of the act of August 27, 1894, entitled "An act to reduce taxation, to provide revenue for the Government, and for other purposes," is amended to read as follows:

"SEC. 25. That the value of foreign coin as expressed in the money of account of the United States shall be that of the fine metal of such coin of standard value; and the values of the standard coins in circulation of the various nations of the world shall be estimated quarterly by the Director of the Mint and be proclaimed by the Secretary of the Treasury quarterly on the 1st day of January, April, July, and October in each year."

(b) For the purpose of the assessment and collection of duties upon merchandise imported into the United States on or after the day of the enactment of this act, wherever it is necessary to convert foreign currency into currency of the United States, such conversion, except as provided in subdivision (c), shall be made at the value proclaimed by the Secretary under the provisions of section 25 of such act of August 27, 1894, for the quarter in which the merchandise was exported.

(c) If no such value has been proclaimed, or if the value so proclaimed varies by 5 per cent or more from a value measured by the buying rate in the New York market at noon on the day of exportation, conversion shall be made at a value measured by such buying rate. For the purposes of this subdivision such buying rate shall be the buying rate for cable transfers payable in the foreign currency so to be converted; and shall be determined by the Federal Reserve Bank of New York and certified daily to the Secretary, who shall make it public at such times and to such extent as he deems necessary. In ascertaining such buying rate such Federal reserve bank may in its discretion take into consideration the last ascertainable transactions and quotations, whether direct or through the exchange of other currencies, and if there is no market buying rate for such cable transfers, calculate such rate from actual transactions and quotations in demand or time bills of exchange.

(d) Sections 2903 and 3565 of the Revised Statutes are repealed.

(e) Section 25 of such act of August 27, 1894, as in force prior to the enactment of this act, and section 2903 of the Revised Statutes, shall remain in force for the assessment and collection of duties on merchandise imported into the United States prior to the day of the enactment of this act.

INSPECTION OF EXPORTER'S BOOKS.

SEC. 404. That if any person manufacturing, producing, selling, shipping, or consigning merchandise exported to the United States fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the market value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation into the United States of merchandise manufactured, produced, sold, shipped, or consigned by such person, and (2) may instruct the collectors to withhold delivery of merchandise manufactured, produced, sold, shipped, or consigned by such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

INSPECTION OF IMPORTER'S BOOKS.

SEC. 405. That if any person importing merchandise into the United States or dealing in imported merchandise fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation of merchandise into the United States by or for the account of such person, and (2) shall instruct the collectors to withhold delivery of merchandise imported by or for the account of such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

DEFINITIONS.

SEC. 406. That when used in Title II or Title III of in this title—

The term "person" includes individuals, partnerships, corporations, and associations; and

The term "United States" includes all Territories and possessions subject to the jurisdiction of the United States, except the Philippine Islands, the Virgin Islands, the islands of Guam and Tutuila, and the Canal Zone.

RULES AND REGULATIONS.

SEC. 407. That the Secretary shall make rules and regulations necessary for the enforcement of this act.

TITLE V.—DYES AND CHEMICALS.

SEC. 501. (a) That on and after the day following the enactment of this act, for the period of six months, no sodium nitrite, no dyes or dyestuffs, including crudes and intermediates, no product or products derived directly or indirectly from coal tar (including crudes, intermediates, finished or partly finished products, and mixtures and compounds of such coal-tar products), and no synthetic organic drugs or synthetic organic chemicals, shall be admitted to entry or delivered from customs custody in the United States or in any of its possessions unless the Secretary determines that such article or a satisfactory substitute therefor is not obtainable in the United States or in any of its possessions in sufficient quantities and on reasonable terms as to quality, price, and delivery, and that such article in the quantity to be admitted is required for consumption by an actual consumer in the United States or in any of its possessions within six months after receipt of the merchandise.

(b) Upon the day following the enactment of this act the War Trade Board Section of the Department of State shall cease to exist; all clerks and employees of such War Trade Board Section shall be transferred to and become clerks and employees of the Treasury Department, and all books, documents, and other records relating to such dye and chemical import control of such War Trade Board Section shall become books, documents, and records of the Treasury Department. All individual licenses issued by such War Trade Board Section prior to the enactment of this act shall remain in effect during the period of their validity, and the importations under such licenses shall be permitted. All unexpended funds and appropriations for the use and maintenance of such War Trade Board Section shall become funds and appropriations available to be expended by the Secretary in the exercise of the power and authority conferred upon him by this section.

SEC. 502. That this title may be cited as the "Dye and chemical control act, 1921."

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

The PRESIDING OFFICER (Mr. LADD in the chair). The Secretary will call the roll.

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

Ashurst	Harreld	McKellar	Shortridge
Ball	Harris	McKinley	Simmons
Borah	Harrison	McLean	Smoot
Brandegee ✓	Heflin	McNary	Spencer ✓
Broussard	Hitchcock	Moses	Stanfield
Bursum	Johnson	Myers	Stanley
Calder	Jones, N. Mex.	Nelson	Sterling
Capper	Jones, Wash.	New	Sutherland
Caraway	Kellogg	Nicholson ✓	Swanson
Curtis	Kendrick	Norbeck	Trammell
Dial	Kenyon	Norris	Underwood
Dillingham	Keyes	Oddie	Wadsworth
Fernald	King	Overman ✓	Walsh, Mass.
Fletcher	Knox ✓	Penrose ✓	Walsh, Mont.
France	Ladd ✓	Phipps	Warren
Frelinghuysen	La Follette ✓	Poindexter	Watson, Ind.
Gerry	Lenroot	Pomerene	Weller
Glass	Lodge ✓	Ransdell	Willis
Gooding	McCormick ✓	Robinson	Wolcott
Hale	McCumber	Sheppard	

Mr. DIAL. I desire to announce that my colleague, the senior Senator from South Carolina [Mr. SMITH], is absent on official business. I ask that this announcement may stand for the day.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum of the Senate is present.

Mr. McCUMBER. Mr. President, I think every Member of the Senate realizes the depressed condition of the industries throughout the United States at the present time, a condition which has not improved materially during the last six months. While we recognize that every industry throughout the country in every line was suffering the reaction that would very naturally occur from war conditions, it was well known that one particular line of industry suffered far more heavily than any other, namely, the agricultural industry; that while the farmer's products have gone down from a half to a third of the old prices, everything that the farmer is compelled to purchase is still held at the old price.

This condition induced the House and the Senate during the last session to pass an emergency tariff bill which related solely to agricultural products. It was conceded that we could not take up as an emergency proposition every matter that would be covered by a permanent tariff bill. We therefore limited the emergency tariff bill to farm products only, and to only a portion of those products.

The bill passed the House and the Senate during the last session, was presented to President Wilson, and was by him vetoed. We did not have a sufficient number of supporters of the bill to assure its being made a law against the President's veto, and therefore the matter was dropped, with the expectation of taking it up immediately with the new administration.

Since the convening of the present Congress the matter was taken up in the House and in the Senate. Bills were intro-

duced and referred to the Finance Committee in the Senate and the Committee on Ways and Means in the House. Hearings were had before the Committee on Ways and Means of the House, and as soon as the bill was received from the House short hearings were had before the Senate Finance Committee, and the bill was reported again.

It was the understanding of the Finance Committee, at least at our last meeting prior to the reintroduction of this emergency tariff bill, that the bill should be reintroduced in the House and in the Senate in exactly the same form that it was presented to the President of the United States, with no modification whatever. Congressman YOUNG, of my State, reintroduced the bill in the House and I introduced the same bill in the Senate, and they were referred to the respective committees.

Mr. President, I regret that the House in its wisdom saw fit to attach to what was purely an emergency tariff proposition other provisions relating to dumping and to a new method of determining basic values for general tariff levies, due to the fact that there was a very low-rate exchange in foreign countries, and thereby injected new questions into this discussion. I regret that the antidumping bill was attached more particularly because I see no present occasion for it. In all of the hearings that we had before the Committee on Finance there was not in any instance any showing of any dumping of foreign goods into this country, and with the present situation I certainly do not think there is any danger of dumping agricultural products into the United States; and this emergency bill was intended to cover agricultural products only. Of course, great quantities of agricultural products are imported into the United States, but as such products are not exported into this country at prices below the sales price in the producing country, these importations do not come under the term "dumping." The only remedy is a protective tariff rather than an antidumping law. But the House added an antidumping provision and included also another provision under Title II which we may call the "exchange valuation" as a basis of fixing our tariffs.

Mr. HARRISON. Mr. President, will the Senator yield before he gets away from the antidumping clause?

Mr. McCUMBER. Certainly.

Mr. HARRISON. Does the antidumping proposition as carried in this bill, and which the Senator said he opposed, apply just to the articles included in the emergency tariff, or does it include all articles carried in the tariff law?

Mr. McCUMBER. All articles, whether carried in a tariff law or not. It relates to the matter of dumping any article into the United States no matter whether it is included in this bill or otherwise.

Mr. HARRISON. So the antidumping provision, then, is a general proposition which applies to all importations into this country without regard to whether they are on the free list or on the dutiable list?

Mr. McCUMBER. That is true, and that is also true with reference to the exchange valuation. They are both general laws attached to this special bill; but the matter came before the committee with these additions, and the committee considered that it was better to take the matter as it came from the House and to make such changes as were necessary without striking out those two provisions.

Mr. KING. Mr. President, will the Senator permit an inquiry for information?

Mr. McCUMBER. Certainly.

Mr. KING. I think I understood the Senator's answer to the question propounded by the Senator from Mississippi. As I understand the Senator, this bill repeals pro tanto the Underwood-Simmons law, which permits certain articles and commodities to come in free.

Mr. McCUMBER. No; it does not repeal it pro tanto. It does not even affect it unless there is a dumping of that article into the United States. It does not pretend to change the tariff on any product except in cases where dumping is found to exist.

Mr. KING. In its practical operations, if the Senator will still pardon me, would it not be so administered as to prohibit effectually the importation into the United States of any article whatever under the free list as the present statute exists?

Mr. McCUMBER. On the contrary, Mr. President, I do not think it will in any instance, because, as I have stated before, I do not think there are any cases of dumping at the present time, and under the present situation over the world I do not think there is any danger of it, and I will tell the Senator why. The price of almost every manufactured commodity is so much higher in the United States than anywhere else in the world that it is not necessary for the exporter from a foreign country to export it into this country at a less price than the same article is sold for in the markets of the producing country; and, therefore, there is no particular danger, in my opinion, of anything in the line of what we understand by the general term "dumping," which means that the article is sold in the United States or sold for exportation to the United States at a less price than it is sold for home consumption or for exportation to any other foreign country.

Mr. KING. If the Senator will pardon me, I think the Senator is correct; that is my understanding; and yet, in view of the economic and industrial price conditions throughout the world, I could not understand why there was any necessity for enacting an antidumping provision, because, as we all know, articles now sold in Germany in the main are sold for a less price than they are sold for in the United States.

Mr. McCUMBER. I stated that I personally regretted that the antidumping proposition was attached in the House. The bill must pass through both Houses. I can see no possible harm that can come from it, even though it may not be of any particular use at this time, and if the majority of the Members of the House feel that it is proper legislation I have no objection to inserting it here, because of the fact that I think it will do neither harm nor good. I speak most candidly upon that proposition.

Mr. KING. Mr. President, the Senator from North Dakota is always candid, and I hope he will not be offended when I ask if, as a matter of fact, the antidumping proposition is not a fraud upon the public? Is it not a pretense that some benefit is going to be derived from an enactment which will be of no benefit whatever?

Mr. McCUMBER. Oh, no, Mr. President, because it is so worded that there is no danger unless it is sought by a foreign competitor to sell goods for less than cost or less than they can be sold for consumption in the home country for the purpose of destroying an industry in this country and, when the industry is destroyed, of then raising the price to an excessive amount; and that is all the old antidumping law was. That is all we can say of the new one. I have looked at the matter from every angle, and I can not see any possibility of any danger whatever in the provision.

Mr. SIMMONS. Mr. President——

Mr. McCUMBER. I yield to the Senator.

Mr. SIMMONS. I think the Senator from Utah and probably the Senator from Mississippi are somewhat apprehensive that under this antidumping provision articles now upon the free list would be automatically, in effect, transferred to the dutiable list. If I understand the matter correctly, that would be the effect if under the definition of "dumping" in this bill there is technical dumping into the United States of an article now on the free list; but under the technical definition of what is hereafter to be regarded as dumping for the purpose of applying this law, there will be no dumping unless the foreign home market price is greater than the export sale price. If the home price—that is, the price at which goods are ordinarily sold in the regular course of business for home consumption in Germany—is greater than the price at which those goods are exported and sold in this country, then the extent of the difference between the home price and the exporter's price is characterized as dumping, and that difference becomes an additional duty where there is a duty now imposed under the law, and if no duty is imposed under the present law it becomes a positive duty against the article.

Mr. McCUMBER. I intended to cover that. I think I can give the Senator a very brief illustration.

Mr. SIMMONS. So that, if the Senator will pardon me just one minute, if there is dumping it would apply to an article on the free list as well as to an article on the dutiable list.

Mr. McCUMBER. I admit that.

Mr. SIMMONS. But the testimony of practically all of the experts who have appeared before our committee was to the effect that at the present time there is no dumping, within the meaning of this act.

Mr. McCUMBER. That is correct.

Let me say, in answer to the Senator from Utah, suppose an article is on the free list that is sold in the usual wholesale quantities in Great Britain for $5, American money, and the same article, though it is on the free list, is sold for exportation to the United States for $4. Then there would be a duty imposed upon that article of the difference between $5, the foreign selling price, and $4, the export price, or there would be $1 duty imposed upon that article.

But we have found no instances in which anything of that kind has occurred, nor, to my mind, is likely to occur.

Mr. SMOOT. The Senator said the duty would be a dollar. It would be the rate of duty on the dollar's difference, not a duty of a dollar.

Mr. McCUMBER. Yes; the duty would be the difference.

Mr. KING. The senior Senator from Utah is correct if it is upon the free list, but if it is upon the dutiable list, then there would be the duty on the dollar difference plus the duty which now exists under the Simmons-Underwood law.

Mr. McCUMBER. Certainly; if it is upon the dutiable list it will add just so much to the duty. In other words, the article will have to have a value which will be as high as the home selling value, no matter what it is sold for in the United States.

Mr. SMOOT. If I did not misunderstand the question of my colleague, the junior Senator from Utah, he has the wrong idea in his mind. Take the case the Senator cited of a dollar's difference. If the rate of duty on the $4 was 35 per cent, then the rate of duty on the difference between the price here and the dumping price—that is, a dollar—would be 35 per cent.

Mr. McCUMBER. I want to correct both Senator My statement was correct in the first instance. It is not the duty on the $1, but there is $1 added to the duty under the bill.

Mr. KING. I agree with the Senator.

Mr. SIMMONS. The Senator from North Dakota is absolutely right about that.

Mr. McCUMBER. It is not a duty. I did not understand the Senator's position. So it will cost the exporter abroad just as much to bring an article into the United States as though he had purchased it at the price for which it was sold in the country of production.

Mr. KING. But may I not inquire of the Senator if it is not possible for this antidumping provision to be so administered, as that it may perpetuate a monopoly existing in the United States, or permit manufacturers in the United States to augment the present prices which they are charging to the public?

Mr. McCUMBER. I do not think that is possible. Of course, if we have in the United States a monopoly in the production of a particular article by one particular firm and there is an attempt to undersell that particular firm by importing goods into this country at a price less than the cost price in the home country or a price less than what they are sold for export to other foreign countries, of course that would protect the persons manufacturing that article in this country, even though they had a monopoly in the manufacture of those products.

Mr. KING. If the Senator will pardon me, it is the theory of the antidumping provision, as well as all of the provisions of the bill, to restrain the fall of prices, or to maintain existing prices, or to increase them.

Mr. McCUMBER. No; the purpose of the bill is to prevent an attempt by any foreign producer to dump his goods into the United States for less than cost for the purpose of destroying an industry in the United States. In other words, we want to perpetuate our industries of every character in the United States so far as we can.

Mr. KING. But, after all, this legislation, as well as substantially all tariff legislation, is for the purpose of increasing prices upon domestic products, or maintaining a standard of prices, and preventing a fall of prices. In other words, the policy now is to bolster up the market for the products manufactured and sold in the United States.

Mr. McCUMBER. The purpose is to allow the manufacturers in the United States to continue in business, even though it costs them much more to manufacture than it does those in a foreign country and to provide for the employment of American labor and American capital, because anyone who has followed the ups and downs of any business in the United States in which there is competition knows that when an industry in the United States is destroyed by underselling by a foreign competitor all prices immediately go up to an exorbitant degree and far beyond what was originally the American price. I do not think there is any misunderstanding of the purpose of this measure. Of course, it is protective, and protection means higher prices in the United States for the time being than would be given for the particular articles if we had no protection.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, for the sake of clarification of the situation created by the statement made by the Senator from Utah [Mr. SMOOT], inadvertently, I think, it is well for us to understand definitely what the dumping duty is levied upon, and what it is. If I understood the Senator from Utah, he was contending that the dumping duty would be the rate of duty imposed in the present law upon the difference between the home price and the export price.

Mr. McCUMBER. I think that was afterwards corrected.

Mr. SMOOT. I will say to the Senator——

Mr. SIMMONS. Of course, that could not be true, because in that case, if an article was on the free list, of course, there would be no duty to apply to it. This is intended to embrace, and, as a matter of fact, does embrace, articles on the free and the dutiable lists.

Mr. SMOOT. Of course the special dumping duty is an amount equal to the difference between the home-market price and the export price, whatever it may be.

Mr. SIMMONS. It is a flat duty to the full amount of the difference between the home price and the exporter's price, and that difference is not subject to the specific duty imposed under the present tariff, as indicated in the illustration given by the Senator from North Dakota.

Mr. McCUMBER. It is just as I stated in the illustration. If an article is produced in Great Britain and sold in the usual wholesale quantities for $5, and the same article is sold to an American importer for $4, that article will take a duty of $1 in addition to any other duties which may be imposed on it, or if there is no duty imposed upon it, if it is on the free list, it will then take on a duty of $1.

Mr. SIMMONS. The Senator is absolutely correct in that statement.

Mr. SMOOT. I wish to ask the Senator a question at that point, so that he can clear up the whole matter. Not only is the dollar added, but if the duty upon the article imported was 35 per cent, would not the 35 per cent apply to the $5 instead of the $4?

Mr. McCUMBER. The Senator is discussing a provision outside of the antidumping title, but I will answer him.

Under the provision of Title III, I think it is, which relates to the basis of levying duties, we take either the home-selling price or the export price, whichever may be the higher: and, as I stated, if an article produced in Great Britain is sold at wholesale there for $5, and the same article is sold in the United States to an importer for $4, the rate of tariff would be based upon the higher price, which is the home-selling price of $5.

Mr. SMOOT. That is correct.

Mr. McCUMBER. And that would be in addition to the $1, where it is a dutiable article.

Mr. SMOOT. The Senator is correct; and the only reason why I brought the question up was to have all of the differences brought out at this time.

Mr. STANLEY. Mr. President——

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

Mr. McCUMBER. I yield.

Mr. STANLEY. As I understand, the Senator has just stated that in almost every instance at present competing articles manufactured in this and foreign countries are made more cheaply in foreign countries than in this country; that the cost of production, owing to the difference in exchange and the different wage scales in the United States and Europe, is less in foreign countries than it is in this for almost every article offered in the competitive market. Is that correct?

Mr. McCUMBER. Certainly, that is usually correct; and I think you may say in respect to practically every article.

Mr. STANLEY. If that be true, are we going to enter any foreign market, with our cost of production higher than the cost in foreign countries, without selling our surplus for less than the cost of production?

Mr. McCUMBER. Mr. President, I do not know how we are going into any country and sell for less than the cost of production. I do not think any business will enter that kind of a line of competition. People will buy wherever they can buy cheapest. They will sell where they can sell to the best advantage. We can not sell a competing article in Great Britain, where the article is produced in Great Britain for a lower price than that for which it is produced here. Therefore, there can be no exchange of those particular competing articles. We may sell in other countries some things they may have to buy of ours, and we may buy of them some things we do not produce. The world will be governed in its trade relations by that general principle.

Mr. STANLEY. Mr. President, the practice, so called, of "dumping" has been defended on the ground that the difference between the cost of producing the amount demanded by the home market and that which can be produced by a plant running to the maximum of its capacity justifies the selling this so-called surplus at much less than the average cost of production of the amount necessary for the home market, and can be sold for less than it cost to produce the lesser amount; and, owing to the fact that the production of this surplus, this difference between normal production and maximum production, involves no extra overhead charges, no extra amount for labor, simply means using the maximum of the mills' output and keeping employees constantly engaged. In the steel industry, for instance, keeping your blast furnace always going and utilizing your gases for motive power, and so forth, that has

been continually done by large enterprises, and defended, notwithstanding the fact that the surplus was sold abroad at less than the actual cost of production by a plant not run to the maximum of its capacity.

Now, if we mean to enter any foreign market under present conditions we must either sell, according to the statement of the Senator, below the cost of production or at least below the prices at which the commodity is offered in the home market. There is no foreign market open to us for any great amount of wood or steel or textile fabric to-day, unless under present conditions we sell abroad for less than we sell at home. Does not the Senator admit that?

Mr. McCUMBER. Hardly; but I will allow the Senator to finish his sentence.

Mr. STANLEY. If that be true, then we must engage in the practice which we are condemning in the bill. Is not that a fact?

Mr. McCUMBER. I think not.

Mr. STANLEY. Or at least penalize it.

Mr. McCUMBER. I think not.

Mr. STANLEY. If the Senator will pardon me for just one further observation, if the countries of the Old World follow our example and enact similar legislation the doors of Europe will be closed to American industry.

At this point, if the Senator will indulge me further, on that very proposition I should like to offer an amendment and ask that it be printed and submitted at the proper time. I offer the following amendment to page 26 of the pending antidumping provision.

The PRESIDING OFFICER. Without objection, the proposed amendment will be received and printed.

Mr. SIMMONS rose.

Mr. McCUMBER. Does the Senator wish me to yield to him?

Mr. SIMMONS. If the Senator will.

Mr. McCUMBER. Certainly.

Mr. SIMMONS. I think the Senator would probably admit that in a majority of cases, especially where the articles are used in large quantities by great corporations like the United States Steel Corporation, our export trade before the war in those industries was based almost entirely upon what under this bill would be dumping. The American home price was so much higher than the foreign price that it was utterly impossible for us to meet competition in the foreign markets unless we sold our products abroad at less than the home-market price. Under the definition of dumping in the pending bill any sale made abroad at less than the home-market price would be dumping. I assume that that condition exists now. On account of the high prices which obtain in our home market it would be impossible for us to dispose of many of the products of American industry in foreign countries, unless we were willing to sell them at a price less than the home price or less than the price at which they were sold in this country for consumption in this country, and that if other countries were to apply the same law to our exports that it is sought and proposed in this bill to apply we would find our exportation burdened in the foreign markets by an enormous tariff levy. I think the Senator must admit that.

I am not arguing the question whether or not there would probably be retaliation. In the present condition probably there might be no retaliation because there is practically no dumping going on in this country to-day, so the experts tell us, but that statement is based upon a temporary condition which obtains both abroad and here. In the near future there may be dumping in this country, as there was before the war, under the rigid rule of definition in the bill, and if that condition should arise and other countries should find it necessary to resort to the same practices that we resort to and have been forced to resort to in order to get in the markets, they would find themselves penalized by very heavy tariff duties, and they might under those conditions be incited to legislation of a retaliatory character. However, that is in the future.

Mr. McCUMBER. Yes; that is anticipating something that in all probability never will happen.

Let us consider the proposition that is made by the Senator from Kentucky [Mr. STANLEY]. Take the case of the steel mills prior to the war, when they had accumulated a surplus and wanted to keep their mills running because there would be an enormous loss to shut them down, and they were producing more goods than they could sell in the United States, keeping up the price in the United States and selling to another country for a less price than the home price. But now just recall that they were not exporting steel rails to Great Britain for less than it cost to produce them in the United States. If they did the British antidumping law would probably apply. I do not think that in any case steel rails were sold abroad for a price less than the cost of production, but to keep the mills going a very comparatively small amount of the surplus was sold to South American countries for less than the American market price. Argentine, if it wants to build a railroad, has not great mills for the manufacture of steel rails. If our mills should sell to Argentine steel rails for even less than it cost to produce in the United States, Argentine might make a law calling that dumping, but she would not do so, because she does not produce any rails, and is therefore desirous of obtaining them as cheaply as possible. We shall have no conflict with Great Britain on the subject, or with Germany or with any of those countries, because we will not compete in dumping to sell those countries products which we manufacture in the United States for a less price than we sell them for in the United States, because of the fact that it would be impossible to manufacture and sell them for a less price than they are manufactured and sold for in Great Britain or in Germany.

So these fears are extremely ethereal and improbable. There is only one instance in which under the pending bill there could be antidumping on a product which we do not produce in the United States. For instance, if we have in the United States the material and the resources to produce a certain kind of article such as dyes, for instance, which we did not produce before the war, and a company were formed for the purpose of developing that industry, and some foreign competitor, fearing that we would establish that industry in the United States and having had a monopoly in the United States up to that time, should then proceed to ship their goods into the United States for less than the cost of production, and the Secretary of the Treasury should find upon investigation that the purpose of selling for less than it cost in the home-producing country was to prevent the establishment of that industry in this country, then dumping would obtain under this bill. With these restrictions upon dumping into this country, I do not think that there is anything that we need to fear.

The greater part of Title II consists in definitions of home values and export values, and so forth, and I shall not stop to discuss them.

Title III deals with the assessment of ad valorem duties, and I wish to clarify that title and its purposes. Under our present tariff law our duty is levied upon the market price and not upon the price paid by the American purchaser who imports goods into this country. Under the old conditions that worked very well, but under the conditions which have faced us since the war it is found to work very injuriously to our producers and unjustly to the Government for the reason which I have mentioned, that our prices are so much above the foreign production and selling price that it enables the foreign Government to levy an export price upon the article or the foreign manufacturers to combine and agree to a practical export price far in excess of the home-producing price, and therefore while we are receiving goods from, say, Germany which are sold in the German market for $2 measured in gold and sold to the American exporter for $8, or four times the price, we are receiving no benefit from the lower price in Germany to American people by reason of their lower production, and are not receiving our proper tariff duties upon the price which the American people must pay.

Therefore the committee agreed upon making a tariff based upon either the foreign producing and selling price, or the exporting price of the foreign country, whichever was highest. We did that as a compromise between the present system of levying upon the very low production price in the foreign country and the demand of the American producers that the tariff should be levied upon the products measured in American gold and not in the foreign depreciated currency.

If an article, therefore, is manufactured and sold in Germany for $5, and the same article is shipped to the United States, even though its price to the importer is $10, under the present law the customs officer collects but $1 under a 25 per cent duty, whereas if the duty is based upon the export price—that is, the charge made to the person who imports the article from the foreign country—the United States would receive $2 duty instead of $1.

Mr. HITCHCOCK. Mr. President, do I understand that what the Senator describes is now going on; that exporters are purchasing, say, in Germany, for $8 articles to be brought to the United States which are selling in Germany for $2?

Mr. McCUMBER. The evidence was that articles are produced in Germany and are sold to the exporter for a sum several times as much as the price at which they are sold to the domestic consumer—I do not give the exact figures—and are sold in the United States in the usual wholesale quantities as

high as ten times the price of the same product in the German market. That is being done not merely to a limited extent but to a great extent.

Mr. HITCHCOCK. So that the man representing the exporter, who buys the goods in Germany, is paying four times as much as consumers in Germany are paying for the same article?

Mr. McCUMBER. Yes.

Mr. HITCHCOCK. Such a condition has never before existed in the world, so far as I know.

Mr. McCUMBER. I have stated why that condition has not existed in the past. I have stated that the American prices are so enormously higher than some of the foreign prices that the manufacturers and the foreign Government acting with those manufacturers have agreed upon an export duty in some cases of over 100 per cent.

Mr. HITCHCOCK. I am not talking about that.

Mr. McCUMBER. That duty is added to the price of the article.

Mr. HITCHCOCK. I am asking the Senator this question: Is it possible that two prices prevail in Germany for the same article—one $2 and the other $8—and that no class of people takes advantage of the difference in order to make a great profit? What is there to prevent anybody buying?

Mr. McCUMBER. The expert informs me that the average price paid by the exporter is from two to three times the amount for which the article is sold in the German market for home consumption.

Mr. HITCHCOCK. Can the Senator explain by what method the American importer is prevented from buying at the local price?

Mr. McCUMBER. He can buy at the local price if he sells in the home country, but he is prevented from buying for export at the local price, because of a combination which has been made between the foreign Government itself and the manufacturers; and this is possible because the article can be sold at such profit in the United States that the foreign Government can levy a tax of 100 per cent and more.

No one can buy an article for export unless he pays from two to three times the price for which the article is sold for home consumption in the same quantities to the people of the country of manufacture.

Mr. HITCHCOCK. The Senator has already expressed his fear that a plot was on foot in those countries to dump their surplus goods in the United States at phenomenally low prices.

Mr. McCUMBER. Who has expressed that fear?

Mr. HITCHCOCK. The Senator from North Dakota has.

Mr. McCUMBER. On the contrary, the Senator from North Dakota has declared over and over again that he had no such fear at all. I have so stated to the Senate to-day, and if the Senator from Nebraska had been present when I began the discussion he would not say that I had said there was any fear of dumping.

Mr. HITCHCOCK. The Senator is supporting the pending bill with the antidumping clause in it, which has evidently been put into the bill because the committee fears that there is a menace of dumping goods into this country at phenomenally low prices.

Mr. McCUMBER. The Senator from Nebraska is mistaken.

Mr. HITCHCOCK. Let me finish.

Mr. McCUMBER. If the Senator had been present during the earlier part of the discussion, his mind would have been disabused of any such idea.

Mr. HITCHCOCK. What is the purpose of the antidumping clause?

Mr. McCUMBER. The fear of the House that a condition might arise in the near future in which an antidumping law would be necessary. The Committee on Finance did not join in that fear; but, inasmuch as the antidumping provision can in no instance do any harm, for the purpose of expediting the passage of the bill it was thought best by the committee to allow the provision which the House had put in to remain in the bill.

Mr. HITCHCOCK. So that, while the committee has reported an antidumping clause here, it does not believe it is necessary?

Mr. McCUMBER. It does not believe that under present conditions there is any dumping going on. I have reported that often enough, I think.

Mr. HITCHCOCK. Yes. On the other hand, the Senator now states that what these countries are actually doing is to inflate the prices of goods which they are selling to us; and yet, in the same breath, he supports clauses here before the Senate providing against dumping, on the theory that they are going to declare their prices and sell goods to us at phenomenally low figures.

Mr. McCUMBER. I have stated again and again that under present conditions the prices are inflated for export rather than deflated, and therefore, under present conditions, it is not necessary to have an antidumping law, in my opinion, now. There may arise a month from now, or there may arise two months from now, a condition in which some foreign business concern, desiring to enter the American market, may be willing to slaughter its profits for a given length of time for the purpose of destroying the American industry. This bill, so far as the Committee on Finance is concerned, is simply aimed at that possible condition. In the agricultural products I can see that the condition might arise, although during the life of the pending bill I do not believe it will arise.

Mr. HITCHCOCK. Mr. President, we began to hear about the bogey of our being flooded with cheap goods from the war-stricken countries before the World War was over, and a year or two before the war closed gentlemen were alarming the country, getting into a hysterical condition over the great danger that the United States was going to be flooded with cheap goods for the American people to use. The war has been over for nearly three years and the Senator from North Dakota admits here on the floor that there has been nothing whatever to justify that apprehension.

Mr. McCUMBER. I do not admit anything of the kind. I admit that there has been no dumping; I admit that, so far as the evidence shows, goods are not being sold for export to the United States for a less price than they are sold for home consumption; but that does not carry with it any assurance that countries are not selling and exporting to the United States products at such low prices that the American producer can not compete with them. This is the fact to-day; but it is not dumping; it is simply because our markets are on a free basis; the door has been thrown wide open; and we are receiving imports at such low prices that the American producer can not compete.

Mr. HITCHCOCK. Yet the Senator from North Dakota in the same breath states that what these countries are doing is to inflate the prices and compel our exporters to pay three and four times as much for the goods as their home consumers pay.

Mr. McCUMBER. I did not say "these countries," because the term "these countries" means all the world. I have said that certain countries are doing that. The Senator from Nebraska certainly comprehends the difference between a country like Australia sending in wool for half what it costs to produce it in the United States, in which the condition which I have mentioned does not apply, and the case of Germany, in which it does apply. It also applies, as the Senator from Utah [Mr. SMOOT] informs me, in Jugoslavia.

Mr. POMERENE. Mr. President, will the Senator yield for a question?

Mr. McCUMBER. Certainly.

Mr. POMERENE. I was interested in the statement which the Senator made, to the effect that there was no dumping, as he has defined that term.

Mr. McCUMBER. That is, so far as any evidence before the committee is concerned.

Mr. POMERENE. I understand that, but I want to ask the Senator specifically whether he intended that statement to apply to the dye industry?

Mr. McCUMBER. There has been no dumping, so far as I know, in the dye industry up to the present time, because the War Trade Board established a licensing system under which dyestuffs have been kept out. In this bill the provision for licensing is continued, for fear that there will be dumping in connection with dyestuffs.

Mr. POMERENE. I knew that to be the fact, just as the Senator has stated it; but I did not make myself clear. What I intended to ask the Senator was whether, in his judgment, the evidence taken by the committee shows that there is any likelihood of the dumping of dyes into this country if the amendment to the bill were not adopted? In other words, are not the duties which were practically dictated, or rather—I do not like to use that term—designated by the dye industries themselves sufficient to prevent the dumping which some of the dye people seem to fear so much?

Mr. McCUMBER. I think not. I will not call it dumping, but I think that dye products, some of the highest qualities of dyes, at least, can be brought into this country for a price which, to protect the American industry, would require a duty of from 1,000 to 2,000 per cent. If we are to become expert in the production of that character of dyes, so as to manufacture them in the United States, we can hardly accomplish that result. In my opinion, and I think the other members of the committee share that opinion with me, unless we have what is equivalent to a prohibition against their importation.

Mr. POMERENE. Mr. President, am I not right in the statement that at the time of the enactment of the dye bill the schedule of rates therein set forth was the schedule which was suggested by the dye industries themselves in the belief that it would be sufficient to maintain and protect that industry?

Mr. McCUMBER. I can not answer that; I do not know what their opinion was at that time; but it is evident that at the present time, whatever their opinion was when the last tariff bill was enacted, that those duties are insufficient, and I think that is generally admitted.

Mr. SIMMONS. Mr. President——

Mr. McCUMBER. I yield to the Senator from North Carolina.

Mr. SIMMONS. I will not interrupt the Senator now if he prefers to go on with his remarks without interruption, but the Senator has been so very liberal about yielding that I should like to ask him a question.

Mr. McCUMBER. I am perfectly willing to yield. I think such interruptions will be helpful, if we stick to the text, to discuss this matter quite freely as we are going over it for the first time, so that we may all get as clear an understanding as possible. Therefore I shall not object to interruptions, if the interruptions are for the purpose of eliciting explanations of the items of the bill.

Mr. SIMMONS. I wish to ask the question, Mr. President, for the purpose of getting from the Senator, if he has it, some information that I have been trying my best to get, and up to this time without success, which I think very important for the intelligent consideration of the part of the measure which the Senator is now discussing. Before I ask the question, however, in order that it may be intelligible, the Senator will have to permit me to make a brief statement of my understanding.

Mr. McCUMBER. Certainly.

Mr. SIMMONS. Under the present law the values upon which the duties prescribed in our tariff law are to be applied are fixed arbitrarily, without any reference to the price paid in the home market by the exporter, and without any reference to the price charged by the professional exporter when merchandise is sold in this country. The value is arbitrarily fixed at the price at which the merchandise is ordinarily sold in the usual course of business in the country of exportation. That is the present standard for ascertaining the value to which our tariff duties shall be applied. Under the amendment which the Senator is discussing it is proposed to change that and to take the two valuations—the price at which goods are sold in the country of exportation for home consumption, and the price at which goods are sold in that country for exportation to this country—and to apply the duties prescribed in the present law to the one of those valuations which happens to be the higher. That is to say, if the domestic price is higher, then the duty applies to that price, under this bill, as it does under the present law; but if the domestic price is less than the export price—that is, the price at which these foreign goods are sold for export to this country—then the duty shall be applied to the higher price, namely, the export price.

The Senator has said, and the testimony sustains him absolutely, that at this particular time Germany has two prices. One is what is known as the domestic price, and applies where goods are sold for consumption in that country. The other is an export price and applies where goods are sold for exportation to a foreign country, to this country. The testimony shows that at this time, in practically every case, the price for home consumption—that is, the price upon which the present tariff law applies—is very much less than the price fixed for exportation. They maintain those two standards of prices there. Under the present law our duties are imposed upon the lower price—that is, the domestic price. If this bill becomes a law our duties will be imposed upon the higher price—that is, the foreign exporter's sales price.

The Senator says, and the testimony supports him, that at this time the exporter's price is from one to two times higher than the home-consumption price. If that is so, and this bill becomes a law, then the rates prescribed in our present tariff act will have to be applied, not to these lower rates, as they are under the present law, but to these higher rates, which are twice or three times higher. I want to ask the Senator if the effect of that is not to increase the protective tariff rates of the present law 100, 200, or 300 per cent, just as the exporter's price exceeds the domestic price by twice or by three times?

That question was raised in the committee by myself. To my mind it is absolutely clear that that is the effect. I asked some of the experts if they could give the committee an idea as to how much this change in the basis of valuation would lift up the tariff levies that would hereafter be made, upon the basis, of course, of the present law. There is not any proposition in this bill to change the rates of the present law at all, except as they apply to agricultural products—that may be said generally—and a very few manufactured products. So that hereafter the rates of the present law, if this amendment is adopted, will be levied upon these foreign products at the higher valuation that would be brought about by adopting the export price, as compared with the lower valuation growing out of the home-consumption price, which is the basis of applying the tax under the present law.

Of course, if the Senator's premises are correct, and the exporter's price is much the higher—and we will all concede that the testimony supports that—the Senator will concede that it necessarily will increase the amount of customs duties that will have to be paid. I am anxious to find out—I tried to get the information yesterday—whether the majority members of the committee have yet gotten any information from our experts who looked into that matter to indicate to what extent this change would increase the potential rates that will be collected at the customhouse upon goods imported into this country from Germany. We are talking about exports from Germany now, and most of the talk in the committee was about exports from Germany.

Mr. McCUMBER. The question is one of simple mathematics, so far as we can apply those mathematics to the facts in any case. If we have not the facts, of course we can not tell just exactly what the mathematical application would result in.

Mr. SIMMONS. The Senator does not understand me.

Mr. McCUMBER. Yes; I will answer the question, if the Senator will allow me.

Mr. SIMMONS. I am trying to get, in general——

Mr. McCUMBER. I understand the Senator, of course, and I want to follow up his own statement. The Senator has given his basis.

We will suppose, now, that an article is sold in the markets of Germany in wholesale quantities for $100. Under the old system, if it were imported into the United States, no matter what the exporter paid for it, he might have even bought it for less, but we would still base our duty upon the value of $100. Under the amendment if the article is sold for export for $200, and the duty is 10 per cent, the duty would be $20, whereas in the first instance it would be but $10. Therefore, the same goods would cost in the United States $10 more than they would if the levy continued to be made upon the home selling value.

The Senator asked if the committee is informed to just what extent this difference applies; in other words, what is the general difference between the home selling price and the foreign selling price? In order, of course, to make his computation and know just exactly what any article or any given class of articles would cost, he must know that difference. We have not the information definitely. The Senator will remember that at our last meeting, or next to the last meeting, we asked for that information from the Treasury Department as definitely as it could be obtained. I am informed to-day that the Treasury Department will have that information to us in detail, or hopes to have it, to-morrow; but the general testimony showed, as I have stated, that the selling price for export was from two to three times the selling price for home consumption.

Mr. SMOOT. That is only on certain classes of goods.

Mr. McCUMBER. That is on a certain class of goods. Of course on some goods there is no difference. Some goods are sold in Germany for the same price that they are sold for export; and I do not mean to say, I do not want the Senator or the Senate to understand, that this rule as to what operates as an export tax by the German Government applies to every article that is exported. My understanding of the testimony is that it shows that the Government compels the exporters to fix a price on certain articles that will be from two to three times the price for which the same article is sold in Germany, and that the exporters are to collect that, and when collected, of course, it goes into the German treasury. That is one of their means of obtaining income from their exports, and operates practically as an export duty.

I think before we get through with the debate we shall have full information, or at least as full as the Senate could ask, upon that subject.

Mr. SIMMONS. These experts who looked up this matter were officials connected with appraisement, with the Customs Court, and with the Treasury Department, and I think it was supposed that they could by examination of the books ascertain to what extent this higher export valuation was practiced in Germany and in other countries, and that they might be able to give us some approximate idea of how much this proposed change in the method of valuation in this bill would be likely to

increase the tariff levy. I do not understand that this principle applies only in Germany. Does the Senator understand that?

Mr. McCUMBER. No; it applies to Jugoslavia, and undoubtedly to Austria, and many of the southeastern European countries.

Mr. WATSON of Indiana. Wherever there is a depreciated currency.

Mr. SIMMONS. The importations from every country where it does apply would be assessed upon the value at a much higher basis. That is indisputably so.

Mr. McCUMBER. Certainly that must follow.

Mr. WATSON of Indiana. Of course, the Senator can have no objection to the importer paying the tariff based on the price he pays for the goods he imports. If it be the higher price, he must pay on that price.

Mr. SIMMONS. I am not discussing that. I am discussing the extent to which tariff duties would be raised automatically by the adoption of this amendment. I understand that in the amendment there is a provision that to the export price, whatever that may be, there shall be added any export duty which may be imposed, and that the tariff duties shall be levied upon those export duties as well as upon the substantive price.

Mr. McCUMBER. But these export duties are, of course, only the duties which I have already mentioned. There is not an additional export duty other than those I have suggested.

Mr. SIMMONS. I call the Senator's attention to the fact that there may be and it may be right upon us now, because we are advised that in the settlement of the reparations controversy between the Allies and Germany it is proposed to levy a certain export tax upon their foreign trade. If that happens, and the practice is continued, you will have to add to the value that additional duty levied for the benefit of our Allies in order to collect your part at least of the reparations from Germany.

Mr. McCUMBER. That assumes, Mr. President, that the export tax will be in addition to the present export tax. It may or may not be. The other is equivalent to an export tax, only the manufacturers who sell for export collect the tax as agents of the Government, and turn it in, instead of the customs officers making the collections.

Mr. SIMMONS. What I mean is that at present this arrangement I am speaking about, by which goods are sold for so much more here than in Germany, is the result of interference on the part of the Government, and represents in a large measure a levy made upon goods by the German Government. If that Government needs that in its present situation for its domestic purposes, and it is compelled under the terms of settlement to pay an additional sum in the form of an export tax, it will naturally add that, and that will swell the price upon which our duties will be imposed by that much, whatever it may be.

Mr. McCUMBER. Of course, she can do that to a certain extent. There is a limit to which she can add her export tax, and that limit is the price at which the goods can be produced, with a tax and all costs added, and then sold in the United States at a profit, and I anticipate that there would be no danger but prices would be kept down sufficiently low to enable her to retain the American market. After all, I think the Senator must agree with me that in all instances where the importer can afford to import goods and sell them in the United States in competition with the home manufacturer he should be required to pay the tariff duties the same as though the cost in the first instance had included those duties. In other words, I do not believe that the Senator would contend that where the importer can purchase goods in the foreign market, even though at a price above the foreign home sales price, and still reap a good profit in the United States, he should be allowed to pay his import duty on a basis of one-half or one-third what he paid for the goods.

Mr. SMOOT. Mr. President, I think there are other reasons that can be given for the difference in the selling price of goods in Germany, at home, and the selling price of goods for exportation. Of course, I am not going to take the time of the Senate now to discuss that, but I am going to discuss it before the consideration of this bill is concluded.

There is one other thing I want to call attention to right now, in answer to a question asked by the Senator from North Carolina [Mr. SIMMONS]. His question led all present to believe, I think, that there was a higher protective duty on the goods because of the amount of duty which will be collected.

Mr. SIMMONS. No, Mr. President, I said nothing of that sort. I said the same duty would obtain, but it would have to be levied upon a much higher valuation of the foreign merchant.

Mr. SMOOT. Yes, and the Senator said, after that, in his second question, that if the duty levied before was sufficient—I do not know whether he used the word "protective" or not—if the duty levied before was sufficient, then under existing circumstances there would be two or three times the protection.

Mr. SIMMONS. The Senator is misrepresenting me.

Mr. SMOOT. I do not want to misrepresent the Senator for a moment.

Mr. SIMMONS. I did not say that or anything like it. What I did say was that the present tariff duties, and those prescribed in this emergency tariff bill, if this new valuation section of the bill prevails, would be applied to the higher valuation of the foreign products growing out of this custom, which it is admitted obtains in Germany particularly, of charging an export price far in excess of the home consumption price.

Mr. SMOOT. That is true, Mr. President; there is not any doubt about that.

Mr. SIMMONS. That would not result necessarily in the importer having to pay a larger amount than he would under the present rule of valuation, which looks to the price in the domestic market, for domestic consumption.

Mr. SMOOT. That is true, Mr. President; but, at the same time, by way of protection, it is not the same increase by any manner of means as the amount of duty collected, because of the fact that every class of goods manufactured in the United States is costing to-day approximately double what it did in 1913, when the present rates of duty were imposed, and as far as protection is concerned it is not represented by the amount of increase in the amount to be collected at the port of entry.

Mr. McCUMBER. Mr. President, I think we have made that sufficiently clear, and I want to speak for a moment on the other provision of the bill, which is Title IV.

Mr. CUMMINS. Mr. President, before the Senator from North Dakota leaves that subject, and for information only, I ask this question: Is the German export duty, or whatever it may be called, the same no matter to what country the goods are exported?

Mr. McCUMBER. So far as I know, Mr. President; I have not heard that it differs any in any country, but I think it is the same whether the goods are shipped to England or to the United States.

Mr. CUMMINS. Germany, then, is not attempting to vary her export duties to fit the conditions in the various countries to which the goods are exported?

Mr. McCUMBER. I do not understand that to be the case. As I was about to say, Mr. President, when the bill came from the House it contained a provision that in the estimation and liquidation of duties upon any imported merchandise the collector of customs shall not in any case estimate the depreciated currency at more than 66⅔ per cent. This is a very important departure from the general rule of determining values. This provision was met by most strenuous protest from importers throughout the country. Under the normal rate of exchange a gold mark is worth 23.8 cents in gold American money. However, there is no gold in circulation in Germany; all business is conducted, all goods are purchased and sold, with a depreciated paper mark, which varies from day to day, but ordinarily is worth in American money only 1.6 cents, as compared with the normal of 23.8 cents. By declaring that the depreciation should not be estimated at more than 66⅔ per cent, it means simply this, that you give a value to the paper mark of practically 8 cents instead of 1.6 cents.

Applying that, assuming the paper mark is worth 1.6 cents, if you buy a consignment of goods in Germany that cost 100,000 marks, the actual cost in American money of that consignment of goods would be $1,600. If the ad valorem duty were 25 per cent, the Government would collect under the present law $400.

If, however, you arbitrarily assume that a mark is worth 8 cents instead of 1.6 cents, the gold cost of the consignment would be estimated at about $8,000, and the duty of 25 per cent collected would be $2,000, as against the $400. In other words, by adopting the House bill, limiting the depreciation of currency to 66⅔ per cent, you would actually require the payment of five times as much duty upon any consignment of goods in Germany as is now being paid, and I think the committee agreed generally that it would in most instances absolutely prohibit importation from those countries having a very low, depreciated currency, and the Finance Committee was not able to accept that proposition.

But, recognizing the fact that while wages, standards of living, and cost of living generally in Germany and in other countries of depreciated currency have not gone down commensurately with their currency depreciation, they have nevertheless gone far below the prewar standards of living and wages in those countries. With a very much higher standard of living in this country, and with the prices of all commodities in this country greater than before the war, it was believed that the

old basis of protection would be insufficient, and therefore the committee adopted the proposition of making the basis of assessment upon either the home market value or the market price to the exporter, whichever might be the highest, and struck out this House provision.

I think that explains the bill sufficiently. Title IV deals only with the administrative measures to prevent fraud. Title V is the amendment made by the Senate.

Mr. HITCHCOCK. Mr. President——

Mr. McCUMBER. Just one moment. It continues the present licensing system for a period of six months and transfers the powers of the War Trade Board to the Treasury Department, together with the necessary clerks and equipment. Senators will remember that when we passed the Knox resolution the other day, which declared a state of peace between this country and Germany, it practically disposed of the War Trade Board and its powers. Therefore to protect the dye industry of the United States the bill provides for the transfer of those powers to the Treasury Department during the continuance of the measure, which is limited to six months.

I wish to say, in conclusion, and then I shall yield to the Senator from Nebraska, that I am not going to discuss at this time the tariff in Title I, the agricultural title of the bill. It is exactly the same as the former bill when it passed the Senate and the House and was presented to the President and vetoed by him during the last session of Congress. It was fully and amply discussed at that time, and if there is any Senator who was not then in the Senate who desires in his spare hours to look over the RECORD between the 17th of January and the 18th day of February last, he will find a full discussion of that matter. It is also rather fully explained in the report made by the committee. If Senators wish to challenge the propriety of any of the agricultural schedules, I shall then take occasion possibly to reply, if I deem it necessary.

I now yield to the Senator from Nebraska.

Mr. HITCHCOCK. I am sorry the Senator has left his former topic so far. I wish to go back to that part of his speech in which he was discussing the extent of tariff protection and whether it should be based upon the foreign market price of the article or whether it should be based upon the inflated selling price to the American exporter. I wish to ask the Senator, in the first place, if in the antidumping provision the insistence is made that the tariff should be based upon the foreign market value, is it not also just to have it based upon the foreign market value for all other purposes?

Mr. McCUMBER. I do not think that I fully comprehend the Senator's question. If he will give me an illustration I can understand it better.

Mr. HITCHCOCK. I will give the Senator an illustration. The testimony of one witness before the committee showed, for instance, that German chinaware selling before the war at 4 marks, which was practically 96 cents, is now sold to the United States at $2.50.

Mr. McCUMBER. At what was it selling before the war?

Mr. HITCHCOCK. I shall come to that in a moment. Under the insistence of the bill and in accordance with the belief of the Senator, the importer to the United States should be compelled to pay the existing tariff on a $2.50 value instead of, as formerly, upon the value of 4 marks.

Mr. McCUMBER. Was 4 marks the price before the war?

Mr. HITCHCOCK. It was 4 marks, which before the war was 96 cents, and it is now sold to the American exporter for $2.50.

Mr. McCUMBER. It would not be based on that under the law.

Mr. HITCHCOCK. Will the Senator allow me to finish my question?

Mr. McCUMBER. Certainly.

Mr. HITCHCOCK. The Senator holds that the American consumer should be compelled to pay a price in this country which includes a tariff on $2.50 worth of chinaware, whereas formerly he only paid a price which included the tariff on 96 cents' worth of chinaware. Why penalize the American consumer when, as a matter of fact, the foreign market value of that china to the German consumer is just what it was before, not nominally but actually? This witness goes on to say, and I shall read the complete paragraph:

> German chinaware selling before the war at 4 marks is now sold to the United States at $2.50 and in the home market at 60 marks. Duty is assessed on the home value, which converted into United States currency, approximates 96 cents.

In other words, the chinaware still sells at 96 cents in Germany and, as it is now, the duty will still be on the value of 96 cents, but the bill makes the duty payable on a $2.50 valuation. The question I put to the Senator is this: If under the antidumping clause it is proper to take the German home market value on that chinaware, why is it not proper to take the German home market value for the regular import tax, as we do now?

Mr. WATSON of Indiana. The whole question simply resolves itself into what the ad valorem rate should be based on. It must be based upon the price the importer in the United States pays. That is all there is to it.

Mr. HITCHCOCK. No; on the contrary, the antidumping clause particularly excludes that.

Mr. WATSON of Indiana. The Senator is confusing antidumping with the usual flow of commerce.

Mr. HITCHCOCK. No; I am not at all.

Mr. WATSON of Indiana. The sections are not interchangeable. Antidumping depends——

Mr. HITCHCOCK. Not at all. I say you have a bill here which provides that if the German market is lower than the export price for the American market, you shall charge on the export price for the American market, but if the German market is higher than the export market, as it would be under the antidumping provision, you tax the American consumer on the highest market. What is sauce for the goose is sauce for the gander. If it is proper to charge on the German standard of value to the American consumer in the one case it is proper in the other, and one or the other of your theories in the bill is utterly wrong.

Mr. McCUMBER. The Senator is mistaken there.

Mr. HITCHCOCK. I feel, as representing the interests of the American consumer, that it is manifestly unfair to compel him to pay a price in this country based upon a value of $2.50 instead of, as heretofore, the market value in Germany, which is 96 cents.

Mr. McCUMBER. The Senator is mistaken in what constitutes dumping from Germany. It is not based upon the price at which it is sold in Germany; it is based upon a price which is lower than the price at which it is sold for home consumption in Germany. If Germany sells an article in her home market for very much less than it is sold for export, still it is not dumping. If she sells it for less in the home market than she sells it for exporting, it is not dumping. But if she sells it for less for export than it cost or than its usual selling price in the home market, that is dumping.

Mr. HITCHCOCK. The Senator and I understand each other entirely.

Mr. McCUMBER. In the instance which the Senator has put to the Senate there is no dumping, and therefore there is no application of the dumping law.

Mr. HITCHCOCK. It is a very simple matter. The dumping provision is intended to reach a case in which Germany or any other country sells us a dollar's worth of goods, say, for 60 cents. Then in that case, if she sells it to us for 60 cents, you compel the importer and indirectly the American consumer to pay on the full dollar, although it did not cost him a dollar. In this case when it costs him more than the local price you compel him to pay the actual cost in the German market instead of assessing it upon the German market itself. That is what you do.

Mr. McCUMBER. That takes two answers.

Mr. HITCHCOCK. I say it is inconsistent.

Mr. McCUMBER. Not a bit.

Mr. HITCHCOCK. In both cases you are compelling the American consumer to pay the highest tax.

Mr. McCUMBER. They are not at all inconsistent. Each one has its separate answer. If an article costs a dollar in Germany, and Germany sees fit to sell it to the United States for 60 cents for the purpose of destroying an industry in the United States, then we will say yes, we ought to prohibit it, and the people ought to pay the difference between the dollar and the 60 cents, or 40 cents. There is no question about that. We should not allow any country to sacrifice an industry in the United States by selling a product for less than it cost in the home country for the purpose of destruction. That is an answer to that proposition.

The second proposition is whether we should collect a duty of, say, 25 per cent upon an article that is produced in Germany for $1 and sold for export for $2? Yes. If the exporter can afford to buy that article in Germany for $2 above the German price and still sell it here to advantage and in competition with the American product, then, of course, he should pay his duty, just exactly as he should pay it if it cost the $2 originally in Germany.

Mr. HITCHCOCK. I have instanced a case where chinaware is being sold in Germany at the same value that it was sold for before the war—that is, the 60 marks for which it now sells

are of the same value as the 4 marks at which it sold before the war, because the marks have depreciated.

Mr. SMOOT. That is, in this country.

Mr. HITCHCOCK. The German people are paying the same value for the chinaware, and the German market on chinaware is just where it was before the war, because 4 marks then are the same as 60 marks now. In the existing tariff law a certain duty was levied and is now being assessed on chinaware brought into this country based on German value, which is the same as before the war; yet this bill levies a tax practically one and a half times greater on that very chinaware which is being sold to consumers in that country at just the same value at which it was sold before the war. This is a bill to swell the taxes inordinately. It makes a higher tax than has ever been levied before on chinaware in the United States.

Mr. McCUMBER. Of course, if the price of an article in foreign markets is two and a half times as great as it was before the war or two and a half times as great as it sells for in the country of production at the present time, my judgment is that if it can be imported into the United States and sold at a profit at those prices the importer should pay a tariff exactly the same as though it cost two and a half times as much in Germany as it is sold to the German purchaser for.

Mr. HITCHCOCK. That is where the Senator makes a mistake. The importer does not pay the tax. The American consumer is being required to pay the tax. It is the American consumer you are hitting, and you are doing it under the guise of an emergency tariff on agricultural products, and you are levying upon the people of the United States a grossly increased revenue by figuring on the export duty instead of the value in the European country.

Mr. McCUMBER. Of course, if you levy one penny on an article brought into the United States, the American people pay that penny. No one is questioning that. If you levy a dollar, or 10 per cent, upon goods which cost $10, the American consumer pays that dollar. But just remember that the cost of the production of chinaware in the United States has gone up just as much as the increased price for export to the United States in Germany is at the present time. If we are going to have protection, we need the same protection. I have always admitted that the American consumer pays all taxes. Whether they are import taxes or direct taxes or whatever they are the consumer pays them. No one is questioning that proposition. But the question is when you pay this $2.50 for something that is sold in Germany for 96 cents, and when the importer buys that and charges it up to the American people, and can afford to sell it to an advantage and at a profit in the United States, whether he should be compelled to pay the tariff on that $2.50 or whether he should be allowed to pocket the additional profit of the difference between the duty on $2.50 and the duty on 96 cents. Of course, if he can get it for much less, his profits will be greater, because he will sell for the market value in the United States, and if the market value in the United States is considerably greater than in the country of production he rather than the American people will get the advantage of the reduction in the tariff rate. He will add to his usual profits in the sale of his imported goods the profit derived from a reduction of his import duties. The committee believe that the Government rather than the importer should have this additional tariff duty.

Mr. SMOOT. Mr. President, this is a case where the situation may be so easily demonstrated that I think I might as well call attention to the existing situation at the present time as any other, if the Senator from North Dakota will permit me to do so.

Mr. McCUMBER. Certainly.

Mr. SMOOT. Senators must know that the mark has not depreciated in Germany to the extent that the mark has depreciated in the other countries of the world, where its value is based upon gold; in other words, the depreciation of the mark where it must be paid in the gold is nearly 16 to 1; but when a German manufacturer hires help to manufacture chinaware, the mark for his purposes has depreciated from its value before the war only about 8 or 9 to 1. The German laborer when he pays his rent does not to-day pay sixteen times the amount which he paid when the mark was at par; he pays only about eight or nine times the amount which he formerly paid. The German who purchases German goods does not pay sixteen times the price of those goods before the depreciation of the mark. Sometimes he pays as high as ten times the former price, but sometimes he pays as low as five times the amount which he formerly paid. Therefore, to-day the German manufacturer of chinaware who receives 60 marks for it gets more labor in Germany than he ever did when he sold it for 4 marks, and will therefore make a larger profit. It is true he makes the American purchaser pay $2.50 for the article, but that is because of the fact that he has got to be paid in gold, for whether an article is exported from this country or from some other country, the seller does not receive anything but gold or its equivalent.

Mr. SIMMONS. I would like to ask the Senator a question at that point.

Mr. SMOOT. The Senator may ask me any question he pleases.

Mr. SIMMONS. Does the Senator mean to say that I can buy 100 marks at the rate of 1½ cents per mark——

Mr. SMOOT. In gold; yes.

Mr. SIMMONS. And when I have bought those 100 marks at that rate, that I can go into the German market with those marks and buy products that are worth three or four times as much in gold as I paid for those marks?

Mr. SMOOT. I have not said that.

Mr. SIMMONS. That is what the Senator is saying means, for it can not mean anything else. The Senator says the purchasing power of the mark in Germany is more than a cent and a half, yet that I can buy the German mark in Germany for a cent and a half, and immediately upon buying it that I can buy goods that are worth four times that much.

Mr. SMOOT. If the Senator from North Carolina had followed me, he would not have made that statement.

Mr. SIMMONS. But I did follow the Senator.

Mr. SMOOT. I say that many kinds of goods may be purchased in Germany for 8 marks where the price in gold would be 16 marks, or twice as much. Mr. President, rents in Germany are not more than ten times higher than they were as against a depreciation in the mark of sixteen times. Depreciated currency is all that is in circulation in Germany. I do not believe that a million dollars in gold have gone out of Germany for several years past. Transactions have been based on the transfer of credits, and those credits come about by the exportation of goods. I do say, however, that I can go to Germany, take $1,000 in gold, buy 60,000 marks for it and I can take those 60,000 marks and in many cases buy double the amount of German-made goods for home consumption than if the same goods were to be exported.

Mr. HITCHCOCK. The testimony which I cited to the Senator shows that as to a particular commodity the price in marks and in gold is the same; that it is 96 cents.

Mr. SMOOT. Yes; that is based upon gold being sixteen times greater in value than the mark. The man who buys the article in Germany for the 60 marks pays for it in gold worth sixteen times the value of the paper money.

Mr. HITCHCOCK. But he buys the article for 96 cents.

Mr. SMOOT. He buys it for 96 cents in gold.

Mr. HITCHCOCK. But the American who goes there with gold buys it for $2.50.

Mr. SMOOT. That is entirely another question. As I have said, we are speaking here of the advantage derived by the Germans. If the German manufacturer had to pay his help in gold, then the statement made by the Senator from Nebraska would be absolutely correct; there would be a discrimination; but the German manufacturer for $2.50 in German depreciated currency can get nearly one-eighth as much labor as he got before the war, but he could not get the same amount of gold with that paper money that he could get before the war. That paper money is circulated inside the country; it buys many things of which the German people control the price. That currency is like some of the scrip upon different stores on which some of the Western States used to do business in years past. The merchants would buy produce of all kinds with such scrip and the merchants would exchange merchandise for it. In trade in the city in which the scrip was issued sometimes the depreciation would be 10 or 20 per cent, but one could not go out into another State and use it or sell it for 50 per cent of its face value. So it is with the depreciated currency of Germany. Inside of Germany they can buy more goods there and more labor for that depreciated currency than can be done outside. The depreciation of the currency within Germany is not nearly so great as its depreciation in foreign countries where they have to redeem it in gold.

Mr. President, that is one of the reasons, if not the main reason, why to-day the home price in Germany is much less than is the price of their goods when exported abroad. Why? Because every dollar's worth of goods exported means payment in gold, while every dollar's worth purchased in Germany is paid for in depreciated currency according to its value in Germany.

This condition will continue so long as this wide difference in purchasing power exists, and we can not get around it. In enacting a law we have got to frame a law that will apply to all countries alike. I do not think that the Senator from Ne-

braska would for a moment say that the same condition exists in England, where there has not been a heavy depreciation; but it exists in Poland; it exists in Austria; it exists in Jugo-Slavia; it exists in all those countries whose currency has so depreciated that so far as the gold value is concerned it is almost nil. Poland stands at the head. The depreciation of her currency is even greater than that of Germany. Austria's currency is almost worthless. All we are trying to do in this bill is to equalize, if it is possible, the difference between an American dollar and the depreciated currency of foreign countries.

As to the House provision, which, as the Senator from North Dakota has said, applies where the depreciation has not been less than 66⅔ per cent, I have my doubts whether that would not be a violation of the favored-nation clause. The provision as to a 66⅔ per cent depreciation would not touch England; it would not affect France; it would just barely affect Italy; but it would mean much to Germany. The Senator from North Dakota has told the Senate just what it would mean. In other words, under the House provision the duties imposed upon goods costing a thousand marks would be $80, whereas under the provision as reported by the Senate committee the duty would be $16 only; that is, the duty would be imposed upon the thousand marks' worth of goods at $16, or one-fifth of the amount as provided in the House bill.

What is there different in this, Mr. President, from the existing law? I may say that there is only one difference. To-day under the rulings of the Treasury Department the value of goods is reckoned in the money of the country of production. There is no change in that respect. But under existing law the duties are imposed upon the home-market value; and, as the Senator from North Dakota has explained, we have added a provision to the effect that there shall be the right to base the reckoning on whichever is the highest, the export or the invoice price in the home market. That is all there is to all of these words in the bill, outside of the regulations provided and the antidumping clause.

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

Mr. SMOOT. Yes; I yield.

Mr. KELLOGG. As I understand, to-day if one buys goods in France for 2,000 francs he goes to the American consul, and the American consul certifies the value of 2,000 francs on that day in dollars, and he pays the duty on those dollars.

Mr. SMOOT. Whatever the francs figure in American gold dollars.

Mr. KELLOGG. Yes; that is what I say.

Mr. SMOOT. That is what he pays the duty on.

Mr. KELLOGG. That is the practice under the present law.

Mr. SMOOT. Yes; but it is based upon the home market value, whereas under the provision of the pending bill, on account of the depreciation in German marks and of the currency of other countries and because of the fact that the value of their currency in the home market is greater than it is in gold dollars, we propose to add a provision under which goods are sold higher in the home market than the invoice price of the goods, or if they are sold to an exporter at a price greater than the home market price, then the duty shall be based upon whichever is the higher. That is necessary because of the condition existing in the foreign countries, brought about through the war and resulting in depreciating the value of their money.

Why, Mr. President, there is so little added by this antidumping provision and the other titles of this bill that I did not think it was going to lead to very much discussion. As the Senator from North Dakota [Mr. McCUMBER] has said, the duties levied upon agricultural products are exactly the same as they were in the former bill as it passed the Senate, and the other provisions are added simply for the purpose of equalizing, if you please, the values of foreign currency with the gold dollar in the United States.

The VICE PRESIDENT. The question is on the amendment of the committee.

Mr. SIMMONS. Mr. President, I do not know of any Senator on this side who desires to proceed this afternoon. In a little conference that I held with the Senator from Pennsylvania [Mr. PENROSE], the chairman of the committee, before he left the Senate Chamber, he advised me that he would not be ready to speak before to-morrow. I prefer, before addressing myself to the bill, to hear from the chairman of the committee. In fact, that is a courtesy that is generally extended; and while I could go on this afternoon if I were forced to do it, I should prefer not to do it.

Mr. CURTIS. Mr. President, I wonder if the Senator in charge of the bill can not get an agreement with the other side to vote upon this measure on Saturday? It is an emergency bill, and we ought to pass it. It has been here very much longer than it should have been, and I do hope that something may be done to get the measure through.

Mr. POMERENE. Mr. President, when was the bill reported to the Senate?

Mr. CURTIS. Just a few days ago, but a similar bill passed the Senate at the last session of Congress.

Mr. SIMMONS. Mr. President, the bill contains some very important and intricate provisions—some provisions that the discussion which has taken place here this afternoon demonstrates are of deep interest and great concern to the country. The bill can not pass without reasonable discussion. We are not prepared now to make any agreement about fixing a time for voting, but I will say to the Senator from Kansas that there is no disposition on the part of this side of the Chamber to prolong the discussion. If the Senator will be patient and wait until to-morrow, until we have had a little further discussion of the bill, I think we shall be able to reach an agreement to vote at a very early day—not Saturday, but some day early next week, not later than Wednesday.

Mr. WATSON of Indiana. Mr. President, suppose debate should be exhausted, then the Senator would not object to a vote?

Mr. SIMMONS. No; in that event, of course, I should not object to a vote.

Mr. WATSON of Indiana. Does the Senator know of Senators on his side who want to speak?

Mr. SIMMONS. I think there are a good many Senators over here who propose to speak, but they are not going to make long speeches and they are not going to prolong the discussion unnecessarily. After to-morrow, I think, we shall know about where we stand. Then I will state to the Senator in charge of the bill that I shall be willing, on the part of this side of the Chamber, to agree to a very early date for a vote.

Mr. WATSON of Indiana. Very well.

Mr. McCUMBER. I suggest to the Senator from North Caroline that we had better have a short executive session, and then I shall propose that we take a recess until 12 o'clock to-morrow.

Mr. UNDERWOOD. I think if the bill were under pressure and Senators were prepared to go ahead with the debate a recess would be very advisable; but the debate has not gotten into its run yet.

Mr. SMOOT. It will to-morrow.

Mr. McCUMBER. It will to-morrow, I will say to the Senator, I am certain. I hope we shall consider that it is a bill of some exigency, at least.

Mr. POMERENE. Mr. President, the Senator from North Dakota a moment ago suggested that we take a recess. I think there will be some morning business to-morrow.

Mr. McCUMBER. I think there will be no objection to Senators who wish to introduce bills doing so. Routine morning business can always be transacted by unanimous consent.

Mr. POMERENE. I gave notice this morning that I would to-morrow make a few observations on a Senate resolution which I submitted, and I do not want to intrude on the tariff discussion. The matter I have presented is a pretty important one, however, and if the Senate decides to take any action it ought to be taken quickly, I think.

Mr. McCUMBER. I do not think there will be any objection to that.

Mr. POMERENE. Very well. With that understanding, I have no objection to a recess.

EXECUTIVE SESSION.

Mr. McCUMBER. 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. After seven minutes spent in executive session the doors were reopened.

RECESS.

Mr. McCUMBER. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and (at 3 o'clock and 50 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 5, 1921, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 4, 1922.

DIPLOMATIC SERVICE.

Envoy extraordinary and minister plenipotentiary to Salvador.

Montgomery Schuyler.

PENSION OFFICE.

Deputy Commissioner of Pensions.

Hamlin M. Vandervort.

RENT COMMISSION, DISTRICT OF COLUMBIA.

Member of Rent Commission.

William F. Gude.

XXXVII and XXXVIII of the Standing Rules of the Senate so that the same shall read as provided in the attached copy of the resolution which I intend to offer to-morrow and ask to have printed in the RECORD as a part of this notice.

The resolution proposes to amend clause 3 of Rule XXXVII so that treaties, except by concurrence of two-thirds of the Senators present and voting for the consideration of same in executive session, shall be considered in open executive session of the Senate.

The resolution further proposes to amend Rule XXXVIII of the Standing Rules of the Senate by amending clause 2 and inserting a new clause 7, so that nominations made by the President shall be considered in open executive session of the Senate, unless by concurrence of two-thirds of the Senators present and voting for the consideration of same in executive session.

Resolved, That clause 3 of Rule XXXVII of the Standing Rules of the Senate be amended so as to read as follows:

"3. Unless, by the concurrence of two-thirds of the Senators present, it is agreed to consider a treaty in executive session, all treaties shall be considered and acted upon by the Senate in open executive session."

Resolved further, That clause 2 of Rule XXXVIII of the Standing Rules of the Senate be amended so as to read as follows:

"2. All information communicated or remarks made by a Senator when acting upon nominations in executive session concerning the character or qualifications of the person nominated, also all votes upon any such nomination, shall be kept secret. If, however, charges shall be made against a person nominated, the committee may, in its discretion, notify such nominee thereof, but the name of the person making such charges shall not be disclosed. The fact that a nomination has been made or that it has been confirmed or rejected shall not be regarded as a secret."

Resolved further, That Rule XXXVIII of the Standing Rules of the Senate be amended further by adding at the end thereof a new clause, as follows:

"7. Unless, by the concurrence of two-thirds of the Senators present, it is agreed to consider a nomination made by the President in executive session, all nominations shall be considered and acted upon by the Senate in open executive session."

Mr. LODGE. Mr. President, I do not wish to interfere with the debate on the emergency tariff bill, which I am very anxious to have passed, but I desire to say that whenever the resolution submitted by the Senator from Mississippi is taken up I shall desire to discuss it. I think there are very serious objections to the change which he proposes, and that it is most undesirable.

Since I have been a Member of the Senate I have heard it stated constantly that there is no use of executive sessions because all that happens in executive sessions becomes public. That is a mistake. Nine-tenths of what happens in executive sessions never become public. There is no report of executive sessions, which makes a very great difference in the discussion of treaties. The rumors of a newspaper can never be taken by a foreign government as the action of any part of the Government of the United States.

There is a rule to which I think the Senator from Mississippi omitted to refer to which I desire to call attention. I refer to paragraph 4 of Rule XXXVI, which provides:

4. Any Senator or officer of the Senate who shall disclose the secret or confidential business or proceedings of the Senate shall be liable, if a Senator, to suffer expulsion from the body; and if an officer, to dismissal from the service of the Senate, and to such punishment for contempt.

Those portions of the proceedings in executive session which become public and are printed come now and always have come from the indifference or the carelessness of the Senators themselves. Comparatively little gets out; but I have known one or two occasions when accounts of executive proceedings have been given out which obviously ought never to have been given out, and must have been given out deliberately. The paragraph of Rule XXXVI which I have read, however, shows the seriousness which the Senate for many years has attached to this question.

As to treaties, it is open to the Senate, if they think fit, to discuss them in open executive session. That action has been taken when it has been thought necessary; but it is much better not to discuss the mass of treaties in open executive session, because it is quite possible, in fact, it is very probable, that things will be said which would then become authoritative and be reported in the RECORD that might give gratuitous and unnecessary offense not only to the country with which we are negotiating but to other countries.

As to nominations, I earnestly hope that they will never be discussed in open session. The Senator from Mississippi appears to think that it is going to be for the benefit of the country to have them discussed openly. I think the result would be just the opposite. Now and then there will be a Senator who may wish to make in the open a personal attack on some nominee; but the general effect of such a rule as is now proposed would be that there would be no freedom whatever in the discussion of nominations. All Senators, all men, shrink from making an attack on a man's character which may be unsustained and unsupported when the facts are all known, but which will be blazoned across the country and perhaps cast a stigma on a perfectly innocent man. The result will be that we shall have no proper discussion of nominations which ought to be discussed, because Senators will very naturally be extremely reluctant to carry on personal discussions of that kind in the open Senate.

I am not going to say any more at this time. I merely desire to say that when that rule comes up at the proper time I shall move to have it referred to the Committee on Rules, and I shall wish to discuss it further.

Mr. PENROSE. Mr. President, while the Senator from Massachusetts is on his feet I should like to ask him a question. In his opinion, does the rule of the Senate protecting the secrecy of executive sessions on nominations apply also to the proceedings of a committee to which a nomination has been referred? I ask because important nominations continually come up before committees—I know they do before the Finance Committee—and requests are numerous that the proceedings be open; and as far as I am concerned I do not care whether the proceedings are open or closed. I only want to know, from the Senator's great experience, what his opinion is as to the rule in its application to committee proceedings.

Mr. LODGE. The provision with regard to committees is simple. This is a part of the paragraph providing for secrecy:

If, however, charges shall be made against a person nominated, the committee may, in its discretion, notify such nominee thereof, but the name of the person making such charges shall not be disclosed.

That, I think, distinctly implies that committees follow the usual practice, and do not have their hearings public. In fact, I do not see how they can under that language, because they can not disclose the name of the person making the charge.

Mr. PENROSE. That was my own thought in the matter.

EMERGENCY TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

Mr. PENROSE. Mr. President, in view of the performance this morning, in which the grievances of midshipmen at the academy—shrinking violets, mollycoddles, and others who were unable to pass their examinations—and the moss-grown topic of secret sessions has been raised, I will ask the leader of the minority whether, in view of the possibility of a repetition of these delays, we can not agree on some day to vote on the emergency tariff bill? While the agricultural interests are anxiously waiting and the farmers are confronted with ruin Senators are compelled to remain in their seats while these tedious topics are under discussion.

Mr. SIMMONS. Is the Senator addressing his remarks to me?

Mr. PENROSE. Yes, sir.

Mr. SIMMONS. I wish to say to the Senator in all frankness that I am very anxious that we shall as soon as possible agree upon a day. I hoped that I might be able to indicate to the Senator this morning the earliest day that we could agree upon, but I find that I am not able to do that. I feel quite sure, however, that by to-morrow I shall be able to give the Senator some answer to his inquiry. Meantime, of course, a failure to fix the time of voting to-day, instead of to-morrow or the next day, will not delay the passage of the bill, because under any conditions there is bound to be and will be considerable discussion of the measure.

I hope to be able to answer the Senator to-morrow.

Mr. PENROSE. Mr. President, I sincerely trust that the Senator from North Carolina will be able to carry out his suggestion to agree on a day certain to-morrow. I do not know of any lengthy debate on the side of the majority on this emergency tariff measure. No true friend of the bill wants to prolong the discussion in a way which will delay the enactment of the bill, neither do I believe there is any intention to filibuster against it; but certainly everyone ought to be interested in its disposal as promptly as possible.

As for myself, Mr. President, I have no very long speech to make to the Senate. The tariff features of this measure are identical with those of the bill which passed the Senate and the House in the last Congress and was vetoed by the President. They have not been changed in any particular. A permanent tariff bill is under consideration in the Ways and Means Committee, and it is expected that it will embrace manufactures as well as agricultural and live-stock products. The measure will

be taken up in the House of Representatives early in the present month, and it is hoped that it will reach this body some time not late in June. Consequently, it is sincerely hoped that unnecessary delay will not be incurred by Senators attempting to amend the tariff features of the present bill. Such amendments can not be entertained by the majority. To do so would be to delay the bill beyond any limit and tend to make it a permanent tariff measure. The urgent feature would be entirely lost. The bill arises out of the dire necessities of the agricultural interests, and for their relief should be passed immediately.

I do not pretend that the measure in all its parts is all-embracing or sufficiently comprehensive, or in all cases entirely logical; but it is an emergency measure, and it is only for a very limited period. The original bill which passed the last Congress was to endure for 10 months. This measure will last but six months, or until a new law is enacted; and it is hoped and expected with every reason that long before the expiration of that period the permanent bill will become a law, so that every Senator will have an opportunity in a very short time to present amendments, if need be, to the permanent bill. This measure, to be of any use whatever, should be passed at once.

The Government actuary estimates that the customs duties imposed in this bill would yield during a 12-month period $211,000,000, or $105,000,000 for a 6-month period. The total revenue from the articles subject to tax under this bill during the calendar year 1920 was almost $121,000,000, or about $60,500,000 for a 6-month period. This bill will, therefore, yield an additional revenue of $45,000,000 to the Government for the six months in which it will be in effect. To that extent, therefore, the measure operates in the direction of increasing the much-needed revenues of the Government at the present time.

In addition, however, to the protective features of the original bill, there were very properly added in the House provisions relating to dumping and valuation of imports. Both parties are agreed as to the desirability of dumping legislation, and I take it there is no serious division of opinion on this question. Ordinarily in tariff legislation it would be consistent and logical to provide definite and adequate compensatory duties for the manufacturers dependent on raw materials for the base of their fabrics. While this bill imposes compensatory duties on certain cotton and wool manufactured articles, it is impossible, however, to provide adequate and logically framed compensatory duties on the manufactured products. It is hoped, therefore, that the antidumping provision and the valuation provision will to some extent relieve our manufacturing interests, sufficiently at least to permit them to survive if their establishments shall be opened again during the brief period of six months.

When the bill came to the Senate the Finance Committee largely revised the dumping and valuation provisions of the House bill in a way to which I think there can be no substantial objection. I ought to say that the committee had the advantage of the information and the advice of the Tariff Board and a judge of the customs court, and the Board of General Appraisers, men experienced in these matters, and of some very intelligent expert gentlemen from the New York customhouse. These experts sat with the committee a large part of the time, and after a very prolonged study of the question they were unanimous in recommending to the committee for their consideration the phraseology and language embodied in the Senate amendment. It is therefore the unanimous result of the best expert knowledge in the Government service on this question, regardless of party or political affiliations.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). Does the Senator from Pennsylvania yield to the Senator from Georgia?

Mr. PENROSE. I yield.

Mr. WATSON of Georgia. Is there anything in the Senator's bill which prevents the manufacturers of his own great State of Pennsylvania, notably the Steel Trust, from dumping their surplus goods on South America, for instance?

Mr. PENROSE. No; there is not.

Mr. WATSON of Georgia. And selling their goods at a lower price in South America than the prices their goods are sold for in the Southern States in this country?

Mr. PENROSE. No; Mr. President, there is nothing whatever in this measure of that kind, and if the Senator from Georgia had been longer in this body he would realize that that is a separate question and has been the subject of exhaustive discussion on this floor. That is for Canada and the South American countries to determine for themselves, and our nearest neighbor which would be affected by this antidumping provision, Canada, has a very stringent antidumping law, after which we have largely modeled this bill.

Mr. WATSON of Georgia. Then, how does the Senator reconcile our allowing the surplus population of Europe to be dumped on this country, in the form of cheap labor, and not allowing the products of that cheap labor to be dumped on us?

Mr. PENROSE. Mr. President, I do not want to interrupt the continuity of my remarks by an academic discussion about the selling of certain American products in South America at prices which are below the cost in the home market. The practice has its defenders and there are those who object to it. Each side can put up, in my opinion, a very strong argument, and doubtless before this revenue discussion is over the practice referred to by the Senator from Georgia will be fully discussed. It certainly has no bearing here, except in a remote, academic way.

The dumping provisions, as I said, are the unanimous verdict of the Treasury experts and are, I think it will be generally admitted, an improvement on the House provisions, which were necessarily somewhat hastily passed upon. The provisions, as I said, are largely modeled after the Canadian antidumping law.

A salient feature of the Senate amendment to the House provision is that which leaves to the Secretary of the Treasury the decision as to whether there is dumping. Under the House provision the dumping law applies to all importations, and the very onerous duty was imposed on the customs administrative officers to watch every article which came into the country to ascertain whether it was the product of a dumping process. Now, the imports are accepted at the port, and unless on complaint and proof and an order from the Secretary of the Treasury these questions are not entered into. If, however, any home manufacturer discovers that he can not sell his own product or can not start a manufacturing concern of his own on account of this so-called unfair competition, he can complain to the Secretary of the Treasury, who can make the necessary investigation and order. This amendment is certainly a long stride in the direction of simplicity and economy of administration, and I think will be found entirely satisfactory.

The Finance Committee also made a very important amendment in striking out the differential conversion of currency feature. That would have imposed an enormous increase of duties on at least the products from Germany, and I want to correct an impression, Mr. President, that these amendments in any way will tend to greatly increase the duties. I have heard asserted by Senators that the Senate amendment raised the duties to an unconscionable extent. On the contrary, the abolition of the differential very materially and radically reduces any possible soaring rate of duty on foreign products and has eliminated a cause of offense to certain foreign nations.

Of course, it is only fair to state at the same time that the valuation appraised, either on the foreign home value or the export value, whichever is higher, will increase the basis value of many articles for the assessment of duties, and to that extent will increase the duty; but, on the whole, not to any unreasonable extent. It is fair to state that, taking everything into consideration, the possibilities of a very great and unreasonable rise in duties are very much diminished under the Senate amendments.

In connection with that statement I had Mr. Fix, special agent in charge of the comparative valuation report bureau of the New York customs office, send me some statistics showing the differences between the foreign home consumption prices and the foreign export prices in countries wherein the currency had been depreciated more than 66⅔ per cent, and I ask to have them inserted in the RECORD as a part of my remarks.

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

TREASURY DEPARTMENT,
UNITED STATES CUSTOMS SERVICE,
New York, N. Y., May 5, 1921.

Mr. O. FIX,
Special Agent in Charge C. V. R. Bureau.

SIR: In compliance with your request for information as to the differences between the foreign home consumption prices and the foreign export prices in countries wherein the currency has been depreciated more than 66⅔ per cent, you will find inclosed herewith a list of merchandise and the percentages of difference which I hope will be satisfactory to your needs. If you require further information, command me.

Respectfully,

THOS. J. BURNS,
Deputy Appraiser.

List of merchandise and percentages of differences.

Class of merchandise.	Country of exportation.	Percentage increase over home market prices for exportation to the United States.
Paper and manufactures of paper	Germany	20 - 25
Fancy leather goods	do	25 - 50
Glass lamp chimneys, glass gas and electric globes and shades, table glassware, siphon bottles, gauge glasses, acid bottles.	Germany, Czechoslovakia, Bohemia.	30 - 60
Clocks	Germany	15 - 20
Beads, all kinds	do	50
Reggiano cheese	Italy	144
Roman cheese	do	581
Confectionery (Fourres)	Austria	187½
Aluminum, flatware, spoons, forks, ladles, etc	Germany	10 - 50
Surgical instruments	do	33⅓ - 50
Jewelers' tools	do	10 - 50
Artificial flowers	do	50
Artificial horsehair	do	150
Lighting fixtures	Czechoslovakia	100 -250
Wood rules	Germany	15 - 25
Incandescent electric light bulbs	do	5 - 25
Drawing instruments	do	75 -135
Machine needles	do	25 - 75
Lead pencils	do	10 - 30
Rifles	Austria	50 -100
Musical instruments	Germany	25 - 30
Ocarinas	Austria	30
Cotton table damask	Czechoslovakia	20
Cotton hosiery	Germany	4 - 11
Fabric gloves	do	24 - 36
Linens	do	25
Do	Czechoslovakia	24 - 25
Chinaware:		
Dinner ware	Germany	100 -150
Fancy goods	do	50 -200
Dinner ware	Czechoslovakia	30 - 80
Fancy goods	do	[1]
Earthenware:		
Dinner ware	Germany	50 -100
Fancy goods	do	[2]
Do	Czechoslovakia	[2]
Baskets	Germany	30
Woodenware	do	50 -100
House furnishings	do	
Wire cloth	do	100
Steel balls	do	10
Piano wire	do	50
Chrome steel tubes	do	10
Enameled steel ware	do	14½ - 29
Vacuum bottles	do	11 - 30
Gold leaf	do	50 - 54
Books and music	do	150
Pharmaceuticals	do	38 -139
Chemical glassware	do	40
Photographic cameras	do	39
Glass eyes	do	62½
Chloride of magnesium	do	105½

[1] Net to 50 per cent. [2] Net to 25 per cent

Mr. PENROSE. Then another feature of the dumping amendment which originated in the Finance Committee, Mr. President, was that providing for an opportunity to examine the books of the exporter. It is recognized that the great mass of honest exporters have no objection to examination of their books by the American officials, but there remains a very small percentage of exporters who have objected to such examination, resulting in a very reasonable assumption that there is something to conceal.

On the other hand, it is only reasonable to state that the exporter argues that to have an inspector of another country go into his books might place him at a disadvantage with his competitors. The committee has therefore curtailed the original draft of the provision which was under consideration so as to make it apply only to the market value of the merchandise. In my opinion—and I think the opinion is shared by the customs officials—this limitation will seriously diminish the effectiveness of what the committee was after, the prevention of fraud. But in view of the protests which in past years have come from the State Department regarding such a provision, and in view of very recent protests and criticisms from foreign Governments called to the attention of the Finance Committee, it was thought wiser to be moderate in this respect. Therefore, the amendment stands as it does. Those amendments, Mr. President, largely comprise the changes made.

One point, however, I would like to lay stress on. Whether rates are raised or not, the antidumping provision is not intended to produce much revenue. It is a preventive. The mere fact that the provision exists on the statute books tends to prevent dumping. I have here a report from the United States Tariff Commission containing some information concerning dumping and unfair foreign competition in the United States and Canada's antidumping law, and I refer to page 29, where the statement is made:

As evidence that the antidumping clause serves as a check on dumping rather than as a revenue producer, Canadian customs officials point to the following table—

Which shows that in the 11 years from 1907 to 1918, inclusive, the Canadian dumping duties have averaged less than one-tenth of 1 per cent of the total duties collected. I will ask to have the table inserted in my remarks.

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

Total duties and dumping duties—A comparison of latter to former collected on articles shipped to Canada, fiscal year ending Mar. 31.

Year.	Dumping duties collected.	Total duties collected.	Dumping duty per cent of total duty.
1907	$94,649	[1] $40,290,172	0.23
1908	52,688	58,331,075	.09
1909	47,722	48,059,792	.10
1910	54,796	61,024,239	.09
1911	53,912	73,312,368	.07
1912	86,354	87,578,037	.10
1913	88,963	115,063,688	.08
1914	92,426	107,180,578	.09
1915	68,296	[2] 79,205,910	.09
1916	69,143	[2] 103,947,101	.07
1917	91,715	[2] 147,631,455	.06
1918	58,478	[2] 161,595,629	.03

[1] Nine months ending Mar. 31, 1907.
[2] Includes war tax of the following amounts: 1915, $2,638,493; 1916, $25,256,788; 1917, $37,830,427: 1918, $45,018,562.

Mr. PENROSE. Finally, Mr. President, there was submitted to the committee an amendment for the control of dye importations. I shall not detain the Senate by going into any lengthy statement or argument as to the supreme importance of that industry or the fact, which was deeply impressed on the committee, that entire ruin would confront the industry in this country unless it was protected immediately from prospective competition, particularly from Germany.

I need not lay stress on the vast amount of capital invested in that industry during the war, which would have some claim on the Government for protection, including the high grade of employees engaged in the business. But I was only laying stress on the supreme importance of the industry in furnishing the basis for not only the arts and sciences in the manufacture of woolen goods and other similar articles, but in the manufacture of munitions of war and in a score of interesting and important ramifications which I could go into and which, during this debate, I will leave to others to explain.

The fact remains that the Senate and the House have carefully considered the necessity of doing something in connection with the dye proposition, and whether that part of the bill should be amended or not, I sincerely hope that something effective will remain in the measure between the present and the time it goes to the conference committee to protect the industry.

Mr. President, I have here three tables. The first one shows the estimated revenue collections for a 12-months period under Title I; that is, the tariff title of the emergency tariff bill.

The second table shows the revenue collected during the calendar year 1920 from articles subject to tax under that bill.

The third table shows the rates upon articles contained in the bill under the acts of 1900 and 1913 and under House bill 2435.

I think these figures will be found extremely interesting and instructive, and I ask to have them added to my remarks, and I invite the careful attention of the Senate to them.

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

APPENDIX A.

Estimated revenue collections for a 12-month period under Title I of H. R. 2435, the emergency tariff bill.

ARTICLES AND ESTIMATED REVENUE COLLECTION FOR A 12-MONTH PERIOD.

1. Wheat	$35,000
2. Wheat flour and semolina	16,000
3. Flaxseed	6,000,000
4. Corn or maize	450,000
5. Beans	1,200,000
6. Peanuts or ground beans	750,000
7. Potatoes	250,000
8. Onions	400,000
9. Rice:	
Cleaned	400,000
Uncleaned	437,500
Flour and meal and broken rice	15,000
Paddy, or rice having the outer hull on	3,000

10. Lemons	$1,000,000
11. Oils:	
Peanut	520,000
Cottonseed	20,000
Coconut	1,000,000
Soya bean	10,000,000
Olive—	
In bulk	800,000
In containers of less than 5 gallons	750,000
12. Cattle	000,000
13. Sheep:	
One year old or over	100,000
Less than 1 year old	30,000
14. Fresh or frozen:	
Beef	200,000
Veal	40,000
Mutton, Lamb	240,000
Pork	10,000
Meats of all kinds, prepared or preserved, n. s. p. f	1,000,000
15. Animals imported for breeding purposes:	
Cattle	
Sheep	
Other	
16. Cotton having a staple of 1⅛ inches or more in length	12,600,000
17. Manufactures of which cotton having a staple of 1⅛ inches or more in length is the component material of chief value	210,000
18. Wool, commonly known as clothing wool; including hair of the camel, Angora goat, and alpaca, but not such wools as are commonly known as carpet wools:	
Unwashed	15,000,000
Washed	800,000
Scoured	45,000
19. Clothing wool and hair when advanced in any manner or by any process of manufacture beyond the washed or scoured condition, and manufactures of which clothing wool or hair is the component material of chief value	2,100,000
20. Sugar	118,000,000
Molasses testing—	
Not above 40°	720,000
Above 40° and not above 56°	35,000
Above 56°	70
21. Butter and substitutes therefor	120,000
22. Cheese and substitutes therefor	1,150,000
23. Milk, fresh	40,000
Cream	50,000
24. Milk, preserved or condensed or sterilized by heating or other processes	100,000
Sugar of milk	1,250
25. Wrapper tobacco, and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco, and all leaf tobacco the product of two or more countries or dependencies when mixed or packed together, if—	
Unstemmed	14,100,000
Stemmed	
Filler tobacco, n. s. p. f., if—	
Unstemmed	14,000,000
Stemmed	5,000,000
26. Apples	90,000
27. Cherries:	
In a raw state	
Preserved in brine or otherwise	
28. Olives	1,000,000
Total for 12-month period	211,227,820
Total for 6-month period	105,613,910

APPENDIX B.

Revenue collected during the calendar year 1920 from articles subject to tax under H. R. 2435, the emergency tariff bill.

ARTICLES AND REVENUE COLLECTED.	
1. Wheat	$0,700
2. Wheat flour	200
Semolina	500
3. Flaxseed	4,923,400
4. Corn or maize	
5. Beans	510,400
6. Peanuts or ground beans	803,700
7. Potatoes	5,900
8. Onions	363,700
9. Rice:	
Cleaned	215,400
Uncleaned	178,500
Flour and meal and broken rice	2,800
Paddy, or rice having the outer hull on	1,400
10. Lemons	542,000
11. Oils:	
Peanut	760,000
Cottonseed	
Coconut	
Soya bean	
Olive, edible:	
In bulk	491,000
In containers of less than 5 gallons	484,000
12. Cattle	
13. Sheep	
14. Fresh or frozen beef, veal, mutton, lamb, and pork, and meats of all kinds, prepared or preserved, n. s. p. f.	
15. Animals imported for breeding purposes	
16. Cotton having a staple of 1⅛ inches or more in length	
17. Manufactures of which cotton having a staple of 1⅛ inches or more in length is the component material of chief value	(1)
18. Wool:	
Hair of the Angora goat, alpaca, and other like animals	351,400
19. Clothing wool and hair when advanced in any manner or by any process of manufacture beyond the washed or scoured condition—	
Manufactures of which clothing wool or hair is the component material of chief value	(1)
20. Sugar	78,170,300
Molasses testing—	
Not above 40°	472,900
Above 40° and not above 56°	34,300
Above 56°	500
21. Butter and substitutes therefor	940,700
22. Cheese and substitutes therefor	1,047,600
23. Milk, fresh	
Cream	
24. Milk, preserved or condensed or sterilized by heating or other processes	
Sugar of milk	
25. Wrapper tobacco, and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco, and all leaf tobacco the product of two or more countries or dependencies when mixed or packed together, if—	
Unstemmed	12,857,400
Stemmed	200
Filler tobacco, n. s. p. f., if—	
Unstemmed	12,520,300
Stemmed	4,374,800
26. Apples:	
Green or ripe	38,200
Dried, desiccated, etc.	8,200
27. Cherries	(1)
28. Olives	629,300
Total for 12-month period ending Dec. 31, 1920	120,732,000
Estimate for a 10-month period upon the above basis	60,366,000

[1] Not separately stated.

APPENDIX C.

Rates upon articles contained in H. R. 2435, the emergency tariff bill, and under the acts of 1909 and 1913.

Article.	Rates of duty under the act of—		Rates of duty proposed under H. R. 2435.
	1909	1913	
1. Wheat	25 cents per bushel	Free[1]	35 cents per bushel.
2. Wheat flour	25 per cent	do.[2]	20 per cent.
Semolina	do	do.[3]	Do.
3. Flaxseed	25 cents per bushel	20 cents per bushel	30 cents per bushel.
4. Corn or maize	15 cents per bushel	Free	15 cents per bushel.
5. Beans	¼ cent per pound	⅕ cent per pound	2 cents per pound.
6. Peanuts or ground beans:			
Not shelled	½ cent per pound	¼ cent per pound	3 cents per pound.
Shelled	1 cent per pound	¼ cent per pound	Do.
7. Potatoes	25 cents per bushel	Free[4]	25 cents per bushel.
8. Onions	40 cents per bushel	20 cents per bushel	40 cents per bushel.
9. Rice:			
Cleaned	2 cents per pound	1 cent per pound	2 cents per pound.
Uncleaned	1¼ cents per pound	¼ cent per pound	1¼ cents per pound.
Flour and meal and broken rice	¼ cent per pound	¼ cent per pound	¼ cent per pound.
Paddy, or rice having the outer hull on	¾ cent per pound	¼ cent per pound	¾ cent per pound.
10. Lemons	1½ cents per pound	(5)	2 cents per pound.
11. Oils:			
Peanut	Free (n. e.)	6 cents per gallon	26 cents per gallon.
Cottonseed	Free	Free	20 cents per gallon.
Coconut—			
Refined and deodorized	3½ cents per pound	3½ cents per pound	Do.
Not refined and deodorized	Free	Free	Do.
Soya bean	do	do	Do.

[For footnotes see end of table.]

Rates upon articles contained in H. R. 2435, the emergency tariff bill, and under the acts of 1909 and 1913—Continued.

Article.	Rates of duty under the act of—		Rates of duty proposed under H. R. 2435.
	1909	1913	
11. Oils—Continued.			
Olive—			
In bulk	40 cents per gallon	20 cents per gallon	40 cents per gallon.
In containers of less than 5 gallons	50 cents per gallon	30 cents per gallon	50 cents per gallon.
12. Cattle	(4)	Free	30 per cent.
13. Sheep:			
1 year old or over	$1.50 per head	do	$2 per head.
Less than 1 year old	75 cents per head	do	$1 per head.
14. Fresh or frozen:			
Beef	1½ cents per pound	do	2 cents per pound.
Veal	do	do	Do.
Mutton	do	do	Do.
Lamb	do	do	Do.
Pork	do	do	Do.
Meats of all kinds, prepared or preserved, n. s. p. f.	25 per cent	do	25 per cent.
15. Animals imported for breeding purposes:			
Cattle	Free	do	Free.
Sheep	do	do	Do.
Other	do	do	Do.
16. Cotton having a staple of 1⅛ inches or more in length	do	do	7 cents per pound.
17. Manufactures of which cotton having a staple of 1⅛ inches or more in length is the component material of chief value, in addition to existing rates of duty.			Do.
18. Wool, commonly known as clothing wool, including hair of the camel, Angora goat, and alpaca, but not such wools as are commonly known as carpet wools:			
Unwashed	Various	Free	15 cents per pound.
Washed	do	do	30 cents per pound.
Scoured	do	do	45 cents per pound.
19. Clothing wool and hair when advanced in any manner or by any process of manufacture beyond the washed or scoured condition, and manufactures of which clothing wool or hair is the component material of chief value, in addition to existing rates of duty.			Do.
20. Sugar, 96°	1.685 cents per pound[7]	1.256 cents per pound[8]	2 cents per pound.[9]
Molasses testing—			
Not above 40°	20 per cent	15 per cent	24 per cent.
Above 40° and not above 56°	3 cents per gallon	2½ cents per gallon	3½ cents per gallon.
Above 56°	6 cents per gallon	4½ cents per gallon	7 cents per gallon.
21. Butter and substitutes therefor	6 cents per pound	2½ cents per pound	6 cents per pound.
22. Cheese and substitutes therefor	do	20 per cent	23 per cent.
23. Milk, fresh	2 cents per gallon	Free	2 cents per gallon.
Cream	5 cents per gallon	do	Do.
24. Milk, preserved or condensed or sterilized by heating or other processes.	2 cents per pound	do	2 cents per pound.
Sugar of milk	5 cents per pound	do	5 cents per pound.
25. Wrapper tobacco, and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco, and all leaf tobacco the product of two or more countries or dependencies when mixed or packed together, if—			
Unstemmed	$1.85 per pound	$1.85 per pound	$2.35 per pound.
Stemmed	$2.50 per pound	$2.50 per pound	$3 per pound.
Filler tobacco, n. s. p. f., if—			
Unstemmed	35 cents per pound	35 cents per pound	35 cents per pound.
Stemmed	50 cents per pound	50 cents per pound	50 cents per pound.
26. Apples	25 cents per bushel	10 cents per bushel	30 cents per bushel.
27. Cherries:			
In a raw state	do	do	3 cents per pound.
Preserved in brine or otherwise	Free	Free	Do.
28. Olives:			
In solution	(10)	15 cents per gallon	25 cents per gallon.
Not in solution	(10)	do	3 cents per pound.

[1] But 10 cents per bushel when imported, directly or indirectly, from a country, dependency, or other subdivision of government which imposes a duty on wheat or wheat flour or semolina imported from the United States.

[2] But 45 cents per barrel of 196 pounds when imported, directly or indirectly, from a country, dependency, or other subdivision of government which imposes a duty on wheat or wheat flour or semolina imported from the United States.

[3] But 10 per cent when imported, directly or indirectly, from a country, dependency, or other subdivision of government which imposes a duty on wheat or wheat flour or semolina imported from the United States.

[4] But 10 per cent when imported, directly or indirectly, from a country, dependency, or other subdivision of government which imposes a duty on such articles imported from the United States.

[5] Paragraph 220 of section 1 of the revenue act of 1913 imposed the following rates of duty upon lemons: In packages of a capacity of 1⅛ cubic feet or less, 18 cents per package; in packages of a capacity exceeding 1⅛ cubic feet and not exceeding 2⅛ cubic feet, 35 cents per package; in packages 2⅛ and not exceeding 5 cubic feet, 70 cents per package; in packages exceeding 5 cubic feet or in bulk, one-half of 1 cent per pound.

[6] The revenue act of 1909 imposed the following rates of duty upon cattle: Less than 1 year old, $2 per head; 1 year old or over, valued at not more than $14 per head, $3.75 per head; 1 year old or over, valued at more than $14 per head, 27½ per cent.

[7] The act of 1909 imposed a duty upon sugar testing by the polariscope, not above 75°, ninety-five one-hundredths of 1 cent per pound, and for every additional degree shown by the polariscopic test, thirty-five one-thousandths of 1 cent per pound additional.

[8] The act of 1913 imposed a tax upon sugar testing by the polariscope not above 75°, seventy-one one-hundredths of 1 cent per pound, and for every additional degree shown by the polariscopic test, twenty-six one-thousandths of 1 cent per pound additional.

[9] The bill as agreed to in conference imposes a duty upon sugar, testing by the polariscope not above 75°, of one-sixteenth of 1 cent per pound, and for every additional degree shown by the polariscopic test, four one-hundredths of 1 cent per pound additional.

[10] The act of 1909 imposed the following duties upon olives: In bottles, jars, kegs, tins, or other packages containing less than 5 gallons each, 25 cents per gallon; all other olives 15 cents per gallon.

Mr. PENROSE. Mr. President, I do not know that at the present time I have anything further to say. I shall be glad at any period of the discussion to explain any detail in relation to the Senate amendments. They all speak for themselves.

The report filed by the Finance Committee is unusually complete and comprehensive. Nothing that I could add to it would be more than a repetition of the statements contained therein and would be tedious and uninteresting. Therefore I shall close, again expressing my willingness to make any explanations or reply to any questions, and feeling that to continue the discussion is to unnecessarily delay the bill, and with the sincere hope that both sides of the Chamber will cooperate to get the measure out of the way.

Mr. SIMMONS obtained the floor.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Borah	Capper	Fernald	Gooding
Brandegee	Caraway	Fletcher	Hale
Broussard	Curtis	France	Harris
Calder	Dial	Gerry	Harrison
Cameron	Dillingham	Glass	Heflin

Hitchcock	McCumber	Pomerene	Swanson
Johnson	McKellar	Ransdell	Townsend
Jones, N. Mex.	McLean	Robinson	Trammell
Jones, Wash.	McNary	Sheppard	Underwood
Kellogg	Nelson	Shields	Walsh, Mass.
Kendrick	Nicholson	Shortridge	Watson, Ga.
Kenyon	Oddie	Simmons	Watson, Ind.
Keyes	Overman	Smoot	Williams
King	Penrose	Spencer	Willis
Ladd	Phipps	Stanfield	Wolcott
La Follette	Pittman	Stanley	
Lodge	Poindexter	Sterling	

The VICE PRESIDENT. Sixty-six Senators having answered to their names, a quorum is present. The Senator from North Carolina will proceed.

Mr. SIMMONS addressed the Senate. After having spoken, with interruptions, for nearly two hours, he said:

Mr. President, I wish to inquire of the Senator from North Dakota [Mr. McCUMBER] who, I assume is in charge of the bill in the absence of the chairman of the committee, whether he requires us to go on longer this afternoon. I have been much interrupted and I have not objected to the interruptions, because I think they have been helpful. What we are trying to do is to understand the bill, and we can understand it very much better by colloquies than by set speeches. Therefore, I have invited interruptions and am glad to have them. But it has taken most of my time and I am not anywhere near through with the matters that I wish to discuss in connection with the bill. It is my purpose not only to discuss the amendments of the Senate committee, which include the valuation amendment as well as the anti-dumping amendment, but to discuss the general provisions of the bill and the emergency provision, so far as it applies to agriculture, and that will take some time. I might have finished in half an hour or three-quarters of an hour if I had not had this last interruption, but the last interruption has been somewhat prolonged, and I do not feel now that I wish to go on to-night unless the Senator from North Dakota insists upon it.

Mr. McCUMBER. The Senator would not be willing to go on until 5 o'clock?

Mr. SIMMONS. I would rather not continue to-day. I am rather tired.

Mr. McCUMBER. I do not wish to impose upon the Senator, but may I ask him if there is not some one else on the other side who desires to speak to-day and who can take up the balance of the time until 5 o'clock?

Mr. SIMMONS. I do not; but I think I might go on.

Mr. McCUMBER. I do not wish to insist if the Senator feels tired.

Mr. SIMMONS. I do not know of anyone on this side who wishes to speak to-day.

Mr. McCUMBER. I thought possibly the Senator could suggest one who could take up some of the time remaining this afternoon.

Mr. HARRISON rose.

Mr. SIMMONS. The Senator from Mississippi may have something to say.

Mr. HARRISON. I merely rose to say that it would be rather unfair to the Senator from North Carolina for some one else to speak right in the midst of his remarks.

Mr. McCUMBER. I do not think it could be so considered, because we have been doing that right along.

Mr. HARRISON. He should be allowed to finish his speech.

Mr. UNDERWOOD. I will say to the Senator from North Dakota, as I am sure the Senator from North Carolina has already assured the other side of the Chamber, that there is no desire on this side to delay the bill, and I wish to state to him the fact that the Senator from North Carolina stands on this side of the aisle in the attitude of the chairman. He represents this side on the pending measure. If he is not prepared to present his views further this evening, it seems to me that he ought to be allowed to wait until to-morrow.

Mr. McCUMBER. I am going to move to take a recess unless there is some one on the other side or this side who desires to speak on the bill to-day. That is the purpose of my inquiry. If there is, I would rather go on until 5 o'clock and let the Senator from North Carolina rest. If there is no one who desires to speak I shall not impose upon the Senator from North Carolina by insisting that he shall speak all the afternoon.

Mr. UNDERWOOD. I will say to the Senator that so far as I am concerned I expect to make a short statement on the bill before its consideration is concluded. I have no doubt some other Members may do likewise; but the Senator from North Carolina represents our side of the Chamber on this particular measure, and we prefer to have him conclude and to hear his remarks through before we start to debate the bill.

Mr. McCUMBER. That is satisfactory. I hope that by to-morrow we shall be able to fix some time at which we can vote at a very early period.

Mr. SMOOT. If we take a recess to-night, as I hope we shall, then let us all object to any morning business to-morrow and go to the consideration of the emergency tariff bill the first thing to-morrow. Then we will not have to hold so long a session. It was nearly 2 o'clock to-day before we got started upon the consideration of this bill, and we have been considering it for only about two hours. I think we can make progress by objecting to morning business to-morrow if we take a recess to-night.

Mr. HARRISON. Why not adjourn to-night?

Mr. SMOOT. Oh, no. The bill should have been brought up last Monday. Here it is Thursday night, and we have not had more than four hours' discussion on the bill this week.

Mr. HARRISON. I do not know whether the Senator was present when I served notice that I was going to call up a motion to change the rules, which I expect to do at the very first opportunity. Under the rules the notice must lie over for one calendar day.

Mr. SMOOT. That will have to go to the Committee on Rules.

Mr. HARRISON. If we recess to-day I do not know what the ruling of the Chair would be and whether I could call it up to-morrow if I should desire to do so. For that reason I hope the Senate will adjourn.

Mr. SMOOT. Does the Senator wish to introduce it to-morrow?

Mr. HARRISON. It has been already introduced.

Mr. SMOOT. It will have to go to the Committee on Rules.

Mr. HARRISON. No; it does not, under the action of the Senate recently on the resolution of the Senator from Connecticut [Mr. BRANDEGEE], when it was held that such a motion does not have to go to the Rules Committee.

Mr. FLETCHER. Mr. President, before we take a recess I desire to have printed in the RECORD, as bearing on the pending bill, though I shall not take the time to read it, a communication from the New York Fruit Exchange relative to the proposed duty on lemons, and also a communication from a correspondent in Cuba with reference to the proposed duty on tobacco.

Mr. SMOOT. I think the first letter has already been put in the RECORD. I think I read it.

Mr. FLETCHER. But this is a letter to me.

Mr. SMOOT. I had a similar letter, and I think every other Senator had.

Mr. FLETCHER. Of course, if the letter has been placed in the RECORD, I shall not ask to have it printed again. The other letter to which I refer bears on the duty on tobacco proposed in the bill. I ask that that letter may be printed in the RECORD. It is a letter from Tampa, Fla., showing the effect of the extraordinary increase proposed in the duty on wrapper and filler tobacco. I ask to have them both printed in the RECORD unless a similar communication from the New York Fruit Exchange to some other Senator has already been inserted in the RECORD.

The VICE PRESIDENT. Is there objection? It not, it is so ordered.

The communications are as follows:

NEW YORK, *April 30, 1921.*

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SIR: Your attention is called to the fact that if a prohibitive duty is placed upon foreign lemons in the emergency or permanent tariff bills, it will create a monopoly that will have the entire country in its clutches. Outside of California, Italy, and Sicily, no lemons are grown to any extent.

The duty demanded by the California interests, 2 cents per pound, approximately $1.50 per box, with freight and other charges, will make the cost of bringing a box of lemons from Sicily to this country about $2.25 per box. This will make the expense of importing lemons so great, to say nothing of the cost of the lemons themselves, that the business will be very hazardous and will result in very few, if any, lemons being brought here.

The freight on a box of lemons from California to New York via all rail is about $1.40 per box. Recently several cargoes of California lemons have come here via all-water route through the Panama Canal, demonstrating the practicability of this route, at a total cost of less than $1 per box. Even at the present rate of duty this gives California an advantage over Sicily, so far as the cost of bringing the fruit to New York is concerned.

The California Fruit Growers' Exchange controls the marketing of about 85 per cent of the crop of lemons. With the Sicily fruit out of the way there will be nothing to prevent the exchange from making such prices on lemons as they see fit, and you can rest assured there will be no effort made to give the public "cheap" lemons, as Mr. Powell said would be done in his testimony before the House Ways and Means Committee. About 35 per cent of the lemons sold by the exchange are disposed of at auction in the large eastern cities, and it is claimed that the buyer makes the price at these sales, it being governed by the demand and supply. This is true, but the exchange will see to it that the supply is at no time large enough to break the market.

The price of the 65 per cent sold at private sale will be arbitrarily fixed.

There is no disposition on the part of those engaged in the foreign lemon business—and they are numbered by the thousands—to evade the payment of duty or to ask for free entry of lemons, which could very properly be done, as lemons have become a very necessary food article.

We recognize the fact that the Government is under extraordinary expense and a huge revenue must be raised, and it is only fair that imported lemons should furnish part of this revenue. No objection would be made to a duty of, say, 70 cents per box, which is double the present duty, but to impose a duty of 2 cents per pound, about $1.50 per box, would be prohibitive and result in no revenue, as no lemons would be imported. There is also the danger of reprisals by Italy. The brief submitted by the New York Fruit Exchange to the House Ways and Means Committee—hearings on schedule G—contains considerable detailed information regarding imported lemons.

We hope you will give this matter your careful attention and do what you can to prevent the exclusion of the foreign lemons, which will deprive the large body of consumers in the country from obtaining a very essential article at reasonable prices and placing them at the mercy of one producing section only, which could then dictate prices.

A large number of dealers in various parts of the country prefer the foreign lemon to the California fruit, and to prevent them having it would be a grave injustice. Foreign lemons are sold exclusively at auction, each cargo, without regard to size or market conditions, being disposed of on arrival.

Respectfully,

NEW YORK FRUIT EXCHANGE,
WM. A. CAMP, *President.*

P. S.: Your attention is called to the fact that the laws of Florida prohibit the entry of California lemons into your State.

HABANA, CUBA, *April 26, 1921.*

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: You will recall that during January of this year I had some correspondence with you with reference to the Fordney emergency tariff bill as it affected the duty on Cuban tobacco. My letter was written to you in the interests of the Tampa Cigar Manufacturers' Association. At that time I covered the subject as well as I could and I do not know that I now have anything to add to what I said then. I prepared a brief for the Ways and Means Committee of the House, which I sent to Mr. Drane, and he had it inserted in a report of the committee hearings on the permanent tariff bill. I happened to be in Habana on business to-day, and Mr. Morris, vice president of Lykes Bros. (Inc.), has called my attention to the inclosed form of letter that is being issued by the American Chamber of Commerce of Habana, in which the situation is very effectively and concisely summed up.

If the United States Congress wishes to destroy the Habana cigar manufacturing interests in the United States and practically put out of business the tobacco growers of Cuba they can adopt no more appropriate method than to raise the existing tariff on leaf tobacco. As pointed out in the brief I filed with the Ways and Means Committee, an increase in tariff on wrapper tobacco will automatically force the manufactured product into the higher-priced grades, which will in turn make the same liable to an increase of $3 per thousand internal revenue tax under the existing internal revenue law.

Cuba for the past six months has been in the midst of a serious crisis. The United States owes this country a very real duty. Legislation that will further embarrass these people in the sale of their two chief products—sugar and tobacco—is little short of barbarous and entirely unworthy of the United States Government, which has assumed a guardianship over this little Republic. Therefore, from the standpoint of moral obligation to the Cuban Republic, as well as the protection of the interests of our own manufacturers, the proposed increase in tariff—and especially on tobacco, in which I am directly interested—would seem to be the worst kind of bad faith and at the same time inexcusable folly. I hope something can be done to prevent the increase of 50 cents a pound on wrapper tobacco, that was provided for in the Fordney emergency bill, being carried into the permanent tariff measure when it is adopted, and also that some relief may be given to American importers of tobacco against the arbitrary rule of assessing wrapper duty on all bales of tobacco containing as much as 15 per cent wrapper. There should be a discretion given the appraiser to fix the percentage of wrapper and filler in a bale of tobacco for the purpose of assessing the duty, or there should be a more liberal limit based upon the quantity of wrapper permitted before the entire bale is assessed as wrapper.

Thanking you for such assistance as you may be able to give in the protection of our industry, and with kindest regards, I am

Yours, very sincerely,

K. I. M KAY,
Tampa, *Fla.*

DEAR SIRS: In view of the tariff revision now under consideration by the Congress at Washington, we beg to call your attention to the fact that the exportations from the United States to Cuba will be materially reduced if our products must find a market in the United States hereafter under less favorable conditions than they do at present. When Cuba sells less sugar, less tobacco, and less of all other products of its soil, the ability of the country to import goods from you will be diminished to a considerable extent.

Cuba bought during the last calendar year (1920) from the United States merchandise to the value of $515,082,549. The only other countries which bought more than this amount from the United States were the United Kingdom, Canada, and France. Argentina, Brazil, and Mexico together, with over 50,000,000 inhabitants, bought $578,320,546, or only slightly more than Cuba, the population of which is 2,700,000. Cuba is recognized as having the world's largest per capita trade. Over 75 per cent of our importations now come from the United States, whereas when the Republic was established the percentage was only about 40.

In Cuba we do not have cheap labor. Our export articles—sugar, tobacco, and others of less importance—are produced at present under costs as high on the average as similar articles in the States. This places us in the same position as the United States, in that we can not sell our articles to countries where the cost of production is relatively low, and can not compete with the products of those countries in the markets of the United States, unless we enjoy a substantial reduction in the tariff duties. In the case of sugar, for instance, Cuba has, during the last decade supplied a large part of the deficiency in your production, but under higher tariff rates it would be increasingly difficult for Cuba's sugars to compete with those from other parts of the world, where production costs are lower and which now enjoy a privileged situation because of the rate of exchange. Our currency is United States currency or Cuban gold coins of the same value as yours. We are not therefore benefited by the difference in the rates of exchange, as are many countries now selling sugar to the United States.

It would not be possible to maintain, much less increase, the volume of the exportations of the United States to Cuba, unless we can sell our sugar, our tobacco, and other products of our soil as we have been doing. Trade consists of the exchange of products, and in order that a country may be able to buy from others, it must also be able to sell to others. Cuba has its natural and almost its sole market in the United States, to which we sell 85 per cent of our products. If the opportunities for selling in this market are reduced, our ability to buy will be reduced to the same extent.

In addition, it seems only logical that it should be the policy of the United States to extend an effective protection to Cuba, as by far the greater part of the capital invested in Cuba and many of the largest business concerns are American. In this respect there is little difference between Cuba and one of the States of the Union. American capital controls over 55 per cent of the sugar mills of the island, and American interests are predominant in shipping, commerce, banking, insurance, in public services, like docks and warehouses, telephone, water supply, electric lighting, etc., and very considerable in railroads, tobacco, mining, and other fields. Whatever injures the prosperity and development of Cuba therefore works harm to American interests. Commercially and industrially Cuba is to all intents and purposes a part of your economic system. To legislate against the products of Cuba would, therefore, be inexplicable.

This letter will provide you, we trust, with an opportunity for bringing to the attention of your Congressman, or of others who may have to do with the movement for tariff revision, what the situation of Cuba is, and the gist of it is that we depend on the American market, almost entirely, for the sale of our raw sugar, tobacco, and other less important products, which we exchange for American goods, the benefits of this trade accruing on this side largely to citizens of the United States who have provided the capital for the development of Cuba and have built up in 20 years the wealth and prosperity of the island.

Yours, very truly,

EXECUTIVE SESSION.

Mr. McCUMBER. 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. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. LODGE. I move that the Senate take a recess until to-morrow noon.

The motion was agreed to; and (at 4 o'clock and 20 minutes p. m.) the Senate took a recess until to-morrow, Friday, May 6, 1921, at 12 o'clock meridian.

CONFIRMATION.

Executive nomination confirmed by the Senate May 5 (legislative day of May 4), 1921.

COMMISSIONER OF PATENTS.

Thomas E. Robertson.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 5, 1921.*

The House met at 12 o'clock noon.

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

Our heavenly Father, Thou hast given life and Thou hast spared life, and in it Thou art plenteous in mercy. May we lovingly accept Thy will and follow Thy purpose, that our thoughts may be right and our words wise. May we not boast in our strength, but rather be humble in our weakness. Hear the prayers that can not be heard, for they are too sacred for words. Be with those who are withdrawn from duty because of affliction. Bind up their wounds with many balms, and be with them in their solitude and pain. Through Jesus Christ our Lord. Amen.

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

LEAVE OF ABSENCE.

Mr. BYRNS of Tennessee. Mr. Speaker, my colleague, Mr. PADGETT, continues ill. I ask unanimous consent that he be excused from attendance for the remainder of the week.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that his colleague, Mr. PADGETT, be excused for the remainder of the week. Without objection, it will be so ordered.

There was no objection.

erence right of entry on the public lands, to honorably discharged soldiers, sailors, and marines, reported it with amendments, and submitted a report (No. 37) thereon.

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. 1624) to relieve Congress from adjudication of private claims against the Government; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 1625) granting a pension to Isola Foster; and

A bill (S. 1626) granting an increase of pension to M. Cecelia Allen; to the Committee on Pensions.

By Mr. KELLOGG (by request):

A bill (S. 1627) to regulate the operation of and to encourage the development of radio communication in the United States; and

A bill (S. 1628) to regulate radio communication and to foster its development; to the Committee on Interstate Commerce.

By Mr. SHIELDS:

A bill (S. 1629) for the relief of Nathaniel F. Beairs; to the Committee on Claims.

A bill (S. 1630) to provide for the erection of a public building at Knoxville, Knox County, Tenn.; to the Committee on Public Buildings and Grounds.

A bill (S. 1631) authorizing the Secretary of War to donate to the State of Tennessee two brass cannons, with carriages;

A bill (S. 1632) for the relief of Charles M. Gourley; and

A bill (S. 1633) to provide for the preparation and report to Congress by the Chief of Engineers of the Army under the direction and through the Secretary of War, of a preliminary plan for a system of improved national highways and to provide for the payment of the expenses of said report; to the Committee on Military Affairs.

A bill (S. 1634) granting a pension to Tide Owens;

A bill (S. 1635) granting an increase of pension to Harvey Day;

A bill (S. 1636) granting a pension to Robert [illegible] Zell;

A bill (S. 1637) granting a pension to John H. Smith; and

A bill (S. 1638) granting an increase of pension to William R. Miller; to the Committee on Pensions.

A bill (S. 1639) to amend an act approved March 4, 1915, abolishing the jurisdiction of the Court of Claims in certain cases involving claims against the United States for property destroyed or appropriated by the Federal Army during the Civil War; and

A bill (S. 1640) to amend section 162 of the act to codify, revise, and amend the laws relating to the judiciary, approved March 3, 1911; to the Committee on the Judiciary.

A bill (S. 1641) for the relief of the trustees of Hobson Methodist Church, of Davidson County, Tenn.;

A bill (S. 1642) for the relief of the estate of Eli Pettyjohn;

A bill (S. 1643) for the relief of the Tennessee Deaf and Dumb School, of Knoxville, Tenn.;

A bill (S. 1644) for the relief of Alice Evelyn Mabry Hazen, Lawrence C. Mabry, Herbert S. Mabry, Churchill Mabry, and William Deaderick; and

A bill (S. 1645) for the relief of the city of Knoxville, Knox County, Tenn.; to the Committee on Claims.

By Mr. FERNALD:

A joint resolution (S. J. Res. 52) authorizing the erection on public grounds in the city of Washington, D. C. of a memorial to employees of the United States Department of Agriculture who died in the war with Germany; to the Committee on Public Buildings and Grounds.

AMENDMENTS TO EMERGENCY TARIFF BILL.

Mr. NEW submitted an amendment intended to be proposed by him to House bill 2435, the emergency tariff bill, which was read, ordered to lie on the table and to be printed in the RECORD, as follows:

Add to page 18, after line 24, a new subdivision, as follows:

"(d) If it is established to the satisfaction of the appraising officers, under regulations established by the Secretary, that the foreign market value of airplanes, or airplane motors, parts, and accessories therefor, is wholly or partly based, not upon cost of production or ordinary trade conditions of supply and demand, but is based upon unusual excess stocks procured or accumulated through artificial or abnormal conditions, then the foreign market value of such airplanes, or airplane motors, parts, or accessories, for the purposes of this section shall not be less than the cost of production."

Mr. JONES of New Mexico submitted an amendment intended to be proposed by him to House bill 2435, the emergency tariff bill, which was ordered to lie on the table and to be printed in the RECORD, as follows:

On page 3, after line 11, insert the following:

"Hides of cattle, raw or uncured, whether dry, salted, or pickled, 15 per cent ad valorem; *Provided*, That upon all leather exported, made from imported hides, there shall be allowed a drawback equal to the amount of duty paid on such hides, to be paid under such regulations as the Secretary of the Treasury may prescribe."

NITROGEN AND NITROGENOUS MATERIALS.

Mr. SHIELDS submitted the following resolution (S. Res. 69), which was referred to the Committee on Printing:

Resolved, That 1,500 copies of the report of the Secretary of Agriculture concerning ammonia, nitrogen, and nitrogenous materials manufactured, imported, and used in the United States, transmitted to the Senate on April 8, 1918, in pursuance of Senate resolution 137 of the first session of the Sixty-fifth Congress, be printed for the use of the Senate.

ADDITIONAL CLERK FOR DISTRICT OF COLUMBIA COMMITTEE.

Mr. BALL submitted the following resolution (S. Res. 68), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the District of Columbia be, and it is hereby, authorized to employ an additional clerk at the rate of $1,600 per annum, to be paid out of the miscellaneous items of the contingent fund of the Senate, during the first session of the Sixty-seventh Congress.

HOUSE BILL REFERRED.

The bill (H. R. 2370) to further amend section 858 of the Revised Statutes of the United States was read twice by its title and referred to the Committee on the Judiciary.

REMOVAL OF SOLDIER DEAD FROM FRANCE.

Mr. WALSH of Massachusetts. Mr. President, I have here a letter from an ex-service man and brother of one of the dead heroes of the World War, in which he asks me to have inserted in the RECORD some resolutions recently adopted by a post of Veterans of Foreign Wars, in reference to the removal of the bodies of dead soldiers from France. I ask unanimous consent to have the letter and resolutions entered in the RECORD.

The VICE PRESIDENT. Without objection, it will be so ordered.

The letter and resolutions are as follows:

NEW YORK, *May 5, 1921.*

Hon. DAVID I. WALSH,
Senate Chamber, Washington, D. C.

DEAR SENATOR WALSH: My attention has been called to an extract from the CONGRESSIONAL RECORD of April 26, 1921, in which appear a letter from the Rev. Dr. Harlan and the letters of Owen Wister and Thomas Nelson Page protesting the removal of our soldier dead from France.

My brother was Maj. James A. McKenna, jr., of the One hundred and sixty-fifth Infantry (the old Sixty-ninth New York). He was killed at the Battle of the Ourcq July 28, 1918. I personally buried him and know that it was his wish that he be put to final rest in this his own country, for whose cause he gladly gave the last full measure of devotion.

The post of the Veterans of Foreign Wars, which has taken his name, has passed the inclosed resolution.

Would you see to it that it be published in the CONGRESSIONAL RECORD? I know it would give great comfort to many mothers, who, after all, are the real heroes, for while we fought they watched and waited and suffered.

Sincerely,

WM. F. MCKENNA.

Resolutions.

At a regular meeting of the Major James A. McKenna, jr., Post, 199, Veterans of Foreign Wars, held in Brooklyn, N. Y., April 29, 1921, the letters of Owen Wister and Thomas Nelson Page, as printed in the New York Times of April 15, 1921, were read, whereupon the following resolution was unanimously adopted:

"Whereas upon the entry of the United States of America into the World War this Government promised to its people that the remains of such of its citizens who might make the supreme sacrifice upon the altar of its cause in a foreign land would be returned for final interment in this country upon the request of the next of kin; and

"Whereas our Government is fulfilling this promise in an eminently satisfactory manner; the utmost tenderness, respect, and devotion being shown to our heroic dead; and

"Whereas the right of the next of kin transcends any considerations or claims upon the part of strangers; and

"Whereas the exercise of that right is peculiarly a private and sacred privilege: It is

"*Resolved*, That the aforementioned letters have produced and have caused only additional sorrow and pain, where it should be the desire of all true Americans to give comfort and solace. They unjustly reflect upon the integrity of our Government. They are un-American and barbaric; it is further

"*Resolved*, That the circulation of any propaganda which has for its object, even though indirectly, the retarding of our Government's sacred work in fulfilling its promise to bring home the soldier dead is unreservedly condemned."

EMERGENCY TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent the dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

Mr. FLETCHER. Mr. President, I desire to have printed in the RECORD the telegram which I send to the desk.

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

QUINCY, FLA., *May 5, 1921.*

Senator DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.:

At a meeting our association was instructed to wire urging you reconsider your position with reference to tobacco schedule in the emergency tariff measure. Position of our farmers is that farmers far outnumber manufacturers in Florida, and it is decidedly more worthy to assist the farming end of the tobacco business. By investigation you will find very little wrapper tobacco imported from Cuba at high duty used by Florida manufacturers. We grow in Florida 3,000,000 pounds wrapper tobacco. Farmers are at row's end unless tariff is raised on imported tobacco. Sumatra importers are bringing in double the quantity heretofore imported, and with favorable rates of exchange prevailing can destroy domestic growing business. Please do not oppose tobacco schedule.

FLORIDA AND GEORGIA TOBACCO GROWERS' ASSOCIATION.

Thursday, May 5, 1921.

Mr. SIMMONS. Mr. President, it may be worth while in connection with the discussion of the bill as it now presents itself to the Senate to review very briefly the course of the legislation.

Something near six months ago the House began the preparation of a measure which it was claimed was intended and would relieve the farmers of the country from the competition of alleged excessive importations of like or similar foreign commodities to those produced in this country. At that time a very different situation existed from that which exists to-day, as I propose to show, or attempt to show, before I finish.

At that time it was claimed by the proponents of this bill that agricultural products were selling at prices but little, if any, above the cost of production, and that this situation had been brought about by excessive foreign importations of these products, and that a tariff prohibiting or restricting further importations would restore agricultural prices to a fair level, if not to the high level which obtained during and immediately after the war. It was declared that it was distinctively a farmers' emergency bill; that the recognition it gave to manufactured products was incidental and inconsequential. This was the contention when the bill first came to the Senate during the last regular session of the Sixty-sixth Congress.

Almost immediately after the bill was reported to the Senate from the House opposition on the Republican side of this Chamber of a serious character developed, more especially from the representatives of the great industrial centers of the East and North, who, while feeling sure that many of the duties imposed would not affect at all, or, if at all, not to any appreciable extent, prices, they greatly feared that certain of these duties, such as those imposed upon sugar and meats, would tend greatly to increase the cost of living.

The House had demanded that the bill be passed without amendment. It was authoritatively stated that if amended it would not be accepted by that body and legislation would fail. In these conditions it was for a time doubtful whether the bill would be favorably acted upon by the Senate, and it probably would not have been but for the fact the Finance Committee decided to disregard the injunction of the House and to amend it, and did so amend it as to make it less objectionable to the opposition element of the majority party, but still by no means satisfactory.

This feeling of opposition did not grow less as the discussion proceeded. While the Republican vote was cast almost solidly for the bill, that vote, it is well known, did not really reflect the sentiment of many members of the majority, and it is generally believed it would not have received enough votes in this Chamber to have passed if it had not been for the fact that it was known beyond peradventure that if it passed it would be vetoed by the President.

I charged in closing the debate on the bill that this was the situation, and I challenged denial. I went further than that, and I then stated that in my judgment, if the President vetoed the bill, it would not be reintroduced and passed in its then form at the extra session and sent to President Harding for his signature.

Mr. President, I have no idea that this bill would be here to-day, embracing substantially everything that was in the bill that passed at the last session, but for the amendments that have been added to it and which materially change its character. Indeed, it was announced from the White House and proclaimed to the country after a conference between President Harding and Republican representatives of the Finance and Ways and Means Committees that the farmers' emergency tariff bill would be dropped, and undoubtedly that course would have been pursued if a way had not been devised to use this, the so-called farmers' emergency bill, as a convenient vehicle to tack on by way of amendment provisions which would convert it in effect into a protective measure of general application more efficacious in many instances than would be the Payne-Aldrich tariff rates in restraining and excluding competing importations of all kinds.

From the Republican standpoint this scheme of using the alleged farmers' emergency bill as a vehicle to extend, in effect, the vaunted benefits of protection to the industrial products of the country until a general revision of the tariff could be accomplished was an inspiration and it quickly resulted in bringing about a change in attitude with respect to this measure. The antidumping and the foreign currency valuation provisions of the House bill were intended to accomplish this purpose, and will accomplish it, and it is to get the benefit of these two amendments that this bill is now before the Congress. Undoubtedly it was expected that the House dumping bill provision at the time it was agreed upon and when it was written into this bill would impose heavy penalties at the customhouse upon importations of all kinds coming from a large section of the world, which penalties it was thought would be sufficient to restrain and in many cases prohibit these importations. The information which has since been obtained through inquiries made by the Senate Finance Committee tending to show that this will not be the case was not then known, and the facts which were developed with respect to dumping at the hearings before the Senate committee was a surprise to the proponents as well as the opponents of this bill. If this provision of the House bill would accomplish the purpose in this respect it was thought it would and intended it should accomplish it would undoubtedly operate as a substantial and far-reaching protective tax upon importations not only now upon the dutiable list but some now upon the free list.

The foreign currency valuation provision as originally agreed upon and written into the House bill, if enacted into law, would operate as an embargo upon importations from a large part of the world. It was the decision to add these two provisions to the original farmers' emergency tariff bill that brought about the change in the purpose of the administration and the Congress with respect to this measure. But for these two provisions the farmers' emergency tariff bill would have been dropped, as at one time it was announced it would be, and we should have heard nothing more about it. This bill is before Congress now because it is no longer chiefly a farmers' emergency tariff bill, but because it is, in potential effect, a protective-tariff measure, which in many cases will operate more effectively to that end, as I have before said, than would the high and repudiated rates of the Payne-Aldrich bill. With these amendments changing, as I have stated, the scope and character of the measure, the opposition to the bill on the part of certain powerful elements on the Republican side of the Chamber disappeared. It is true the Finance Committee have changed the foreign currency valuation clause of the House bill by substituting for it a new rule for the valuation of imports, but I believe a careful investigation will show and that results will show, if this bill as amended by the Senate becomes a law, that this change will be broader in its scope and be more universal in its application than the House provision, and will probably be as effective in increasing the taxes to be paid at the customhouse upon foreign merchandise.

Mr. President, the bill is back here for the reasons that I have assigned. The bill will be passed. It will get the solid vote of the other side of the Chamber, not because of its so-called farmers' emergency features but because of these added provisions, which will make it, in effect, a tariff measure of wide application and imposing a high rate of taxation.

Now, Mr. President, let us examine for a few minutes the provisions of the bill as it came from the House. I am going to discuss the House dumping and valuation provisions as well as the substitute, because I know perfectly well that the House is very much wedded to the bill as it passed that body. I know that its Members are resentful, if not incensed, because the Senate has modified it in material particulars; these provisions will probably reduce somewhat the changes. When this measure gets into conference I am apprehensive that the Senate conferees will be forced—if they do not voluntarily do so—to compromise these differences and accept with modifications the vicious currency scheme of the House bill. Therefore I feel impelled to discuss at some length the House bill. That is the bill that the Republican Party framed in pursuance of the agreement to revive this bill after it had been agreed to scrap it, and that bill showed they want not protection, but an embargo upon merchandise of certain kinds and from certain countries.

Let me refer first to the antidumping provision of the House bill. That, Mr. President, is one of the most remarkable propo-

sitions ever presented to Congress for enactment into law. Under that provision every article of foreign merchandise brought into this country, without an exception, without any question being raised as to whether it was brought in to be dumped, without reference to whether such importation would injure an American industry or tend to prevent the establishment of an American industry, without any qualifications as to the purpose and the effect of these importations, would become the subject of investigation by the appraisers to ascertain whether there was any element of dumping.

It was not then known as it is now known that practically all imports to this country are now sold in our markets at prices far above the home market price of the country of origin. That was not known or believed until it was developed in the hearings of the Senate Finance Committee by the testimony of certain appraisers and inspectors and members of the Court of Customs Appeals who appeared before that committee. They did not know that when they passed this dumping provision. The country had been led to believe otherwise.

The House bill was based and written upon the theory that dumping was rampant in this country. Undoubtedly, following the war, there was more or less dumping here by reason of the fact that we had ourselves dumped an enormous quantity of war supplies then in Europe upon the allied countries of Europe at almost give-away prices, and the fact that each of the warring countries, having no further use for the vast war accumulations, had sold those upon the markets of their respective countries and elsewhere where they could at whatever they could get for them, that produced a condition which led to dumping on this country for a time.

Mr. McCUMBER. Mr. President——

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

Mr. SIMMONS. I do.

Mr. McCUMBER. The Senator has just said that immediately following the war there undoubtedly was dumping into this country. Now, as much as I believe in an antidumping law, I do not think that is the fact. I should like to have the Senator state some things that were dumped into this country at figures lower than the cost of production, using the term "dumping" as we understand it—that is, as referring to products sold in this country for a less price than the producing cost in the country of production.

I think the public possibly have a little different idea as to what dumping is from legislators and lawyers who study that question. They think if a thing is put into this country at a very cheap rate it is dumping it, if it is below what they can produce it for themselves; but, speaking from the technical standpoint of what we understand by "dumping," I do not know of anything that has been dumped into this country by these foreign countries, even of their war supplies, for less than the cost of production. I admit that we sold things in France for 20 per cent or less of what it cost us to produce them, but I do not know of anything that was sold in the United States in return for less than its cost.

Mr. POMERENE. Mr. President, I am not sure that I have any reliable knowledge on the subject, but judging from my correspondence one of the complaints, for instance, is that automobiles and automobile supplies of American manufacture, which were sold by the War Department in France are brought over here, and the automobile people say they were dumped in here at such extremely low prices that it is interfering with their business. I was wondering whether that was the class of articles the Senator had in mind.

Mr. SIMMONS. Mr. President, I was speaking then with reference to the war supplies that were sold by this Government in Europe, and by the different European Governments to their own citizens, for a purely nominal sum, and of course the amount of such goods being far in excess of the requirements of those countries, they were anxious to dispose of them at any prices they could get, and while I am not prepared to offer any specific case, I am advised that many of these surplus war supplies were exported and sold here at what might be called salvage prices. The Senator from Ohio mentions automobiles. He might have included airplanes, because I heard talk here of the necessity of special legislation to protect the airplane industry from utter annihilation by the dumping of war planes.

Mr. McCUMBER. Mr. President, I do not like to interrupt the Senator, but we generally get some information by these cross-questions, and I have yielded to the Senator, so that I think he will be willing to yield to me, to clear up this situation.

Mr. SIMMONS. I am glad to yield to the Senator from North Dakota.

Mr. McCUMBER. I know it was claimed last year, and is still claimed, that there is danger of other countries dumping into this country the old airplanes that were used in the late war, and there may be something in it. I can not speak with authority, but I know those who were manufacturing are desperately in earnest in the belief that great danger will follow. I think the case the Senator from Ohio [Mr. POMERENE] referred to was probably in regard to the importation of some trucks which the French had brought into this country. I understand that about 70 of the trucks which we sold to France for from 10 to 20 per cent of their cost were reshipped by France and sold on our western coast. But I do not understand that even in that case they were sold at a figure below the cost of production in the foreign country.

Mr. POMERENE. Mr. President, the information I had came from automobile sources, and they complained generally of the imminent dumping of automobiles and automobile supplies. I am not prepared to say that it may or may not have been trucks; I do not know. I also recall that I have had some very earnest representations made with regard to airplanes, and so on, by those who are interested in the manufacture of them.

Mr. McCUMBER. Mr. President, I am asking my questions just for information.

Mr. WATSON of Indiana. I would like to ask the Senator from Ohio how extensive those imports were?

Mr. POMERENE. I do not think any statement was made to me as to that in any of the letters I have received. They simply referred to that as one of the ominous clouds appearing in the East which confronted the industries. I of course took the representations with a good many grains of allowance, as I do all of this legislation advocated by men inspired by a purely selfish interest.

Mr. WATSON of Indiana. Before the Finance Committee the testimony was that there might be some of this impending, but it was not extensive, here and there an isolated instance, but not sufficient for us to base legislative action on.

Mr. SIMMONS. Is the Senator from Indiana talking about the recent hearings?

Mr. WATSON of Indiana. Yes; our recent hearings.

Mr. SIMMONS. But we were talking about what happened with reference to the war supplies that were dumped.

Mr. WATSON of Indiana. Precisely; that is what I was talking about, the automobiles and trucks coming back to this country from France, after having been sold there by our Government, and sent back here for sale. There is very little of that being done.

Mr. SMOOT. Mr. President, no doubt every Senator received letters similar to those received by the Senator from Ohio from the automobile makers in the State from which he comes. I received similar letters, and I had an investigation made by the Treasury Department. I think the basis of the complaint was that there were 70-odd trucks shipped and delivered at Los Angeles, and they were put on the market there at a lower price than that at which the same trucks made to-day in the United States could be sold.

They thought that was the beginning of a flood of trucks and automobiles into this country, but up to the present time there have been no automobiles brought in, unless it was after the report I got from the Treasury Department was submitted to me. But there were those 70 trucks which were imported into this country, trucks of American make, and they were sold to France at a very low price. However, I know of nothing else that has come into this country under similar circumstances.

I may add, however, that I am told there are about 500 airplanes which are being held up at the ports of the United States, not allowed to enter the United States on account of a patent dispute, and until that dispute has been decided they can not enter the United States. I do not know how long it will take.

Mr. POMERENE. What provision of law is there which prevents their entry?

Mr. SMOOT. It is a question of the infringement of a patent.

Mr. POMERENE. Am I to understand that because there may be an infringement case pending the article which is the subject of that infringement may not be imported?

Mr. SMOOT. That is as I have been told, Mr. President.

Mr. POMERENE. I would be delighted to see the provision of law under which it is done. I have never come in contact with it.

Mr. SIMMONS. Mr. President, I think the interruption is going too far.

Mr. SMOOT. I was just about to close. I was going to say to the Senator that that only came to my attention the other day.

Mr. SIMMONS. If the Republican leaders of the House thought there was no dumping in this country, if they discredited as without justification and as even absurd, as Sen-

ators now seem to regard these complaints of dumping, why, I ask, did the House leaders insert this antidumping provision in the House bill and upon what ground is it proposed to retain it in the Senate substitute, which only amends it in respect to its administrative features?

If there is no dumping now and was none, when all the markets of the belligerent countries of Europe were congested by the vast accumulations of war supplies dumped upon them at sacrifice prices far in excess of domestic requirements, why was this antidumping provision inserted by the House? Why was it retained in the Senate substitute? And should it not be stricken out of the bill now?

Mr. SMOOT. Mr. President, I hardly know how to answer the question.

Mr. SIMMONS. I did not desire to embarrass the Senator from Utah, and I would not have addressed my question directly to Senators over there if I had thought it was going to embarrass them.

Mr. SMOOT. It is not answering that is embarrassing. It is rather embarrassing to undertake to answer a question that has been put in two forms. But I will assure the Senator it is not going to embarrass me in the least. The Senator asks why we struck the dumping provision out when the House put it in.

Mr. SIMMONS. I did not ask that question. You did not strike it out. I asked why you did not strike it out.

Mr. McCUMBER. We did not insert it, because it was already there.

Mr. SMOOT. The Senator asked why the antidumping provision was put in the bill if there was no dumping.

Mr. SIMMONS. Yes; I would like to know.

Mr. SMOOT. Mr. President, it will be some time before the regular tariff bill is passed, and this country and some of the countries of Europe are getting back to normal, and the goods the Senator has referred to as sold to those other countries at such low prices have been consumed, to a large extent; they are getting to work in the old countries, and the fact that they have not been dumping in the past is no reason for supposing that they will not dump in the future, and with the depreciated currency in all of the countries of the world, when conditions get back to normal and the people begin to produce goods, as Germany is producing to-day, dumping could be carried on to a great extent in this country, and without an antidumping provision it will be carried on, and that is why we put that clause in there.

Mr. WATSON of Indiana. Mr. President——

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

Mr. SIMMONS. Yes; I yield to the Senator and any other Senator on that side. I want information.

Mr. WATSON of Indiana. My understanding is that the Ways and Means Committee incorporated the antidumping clause, not because of dumping that was going on at the time of the passage of this act through the House——

Mr. SIMMONS. You should not put it in an emergency bill, then.

Mr. WATSON of Indiana. Merely as an insurance policy, a guaranty against future dumping, something that might happen.

Mr. SIMMONS. If that is so, I want to ask the Senator this question——

Mr. WATSON of Indiana. Will not the Senator permit me to finish?

Mr. SIMMONS. I thought the Senator was through.

Mr. WATSON of Indiana. When the bill came over to our committee in the Senate, speaking only for myself, I would have been entirely willing to have stricken out the antidumping feature, but upon investigation on the House side which satisfied me, I found out they would not stand for it. Therefore, inasmuch as it had to be put in or have this legislation fail, we thought we would perfect it, and therefore we have changed it, and, I think, very greatly bettered it. Does the Senator think so?

Mr. SIMMONS. I think you have bettered the dumping feature, undoubtedly, in respect to its administrative features, but otherwise it is substantially the same.

Then we have this situation. Mr. President, at a time when it is admitted there is no dumping now, was none before the war, and has been none since, although post-war conditions were more favorable to dumping than present conditions or any conditions likely to arise during the life of this emergency bill, as a matter of insurance against the future; as the Senator from Indiana put it, it is deemed expedient in a six months' emergency bill to insert and retain an antidumping clause instead of waiting for the general tariff revision, now in process of framing, when you can provide for a possible future condition. An emergency tariff ought to address itself to conditions which exist at the time and not to conditions which may possibly, but not probably, arise in the future.

Mr. McCUMBER. Mr. President——

Mr. SIMMONS. If that is the only reason for putting this provision in an emergency tariff bill it is a reason which shows your bad faith. I yield to the Senator from North Dakota.

Mr. McCUMBER. Does not the Senator believe, irrespective of whether there is any dumping going on now, that the permanent tariff bill at least should contain an antidumping provision?

Mr. SIMMONS. Oh, Mr. President——

Mr. McCUMBER. That is a fair question.

Mr. SIMMONS. Oh, perhaps, with conditions and qualifications in a permanent tariff bill, but only then to provide against a well-grounded expectation based on facts and conditions, not mere speculation as to possibilities. If the statements made by the Senator are accepted there is no ground for any apprehension.

Mr. McCUMBER. I think the Senator is mistaken when he says that even the House Members believed at the time that dumping was going on. The Senator is in error in that respect. But let me say that the Senator is in error if he thinks the House put the antidumping provision in because they believed there was dumping at the present time. It reaches only to the future, and if it is put in a general tariff bill when there is no dumping going on to protect us against a future condition, while it may not be necessary in a temporary bill it certainly is not harmful.

Mr. SIMMONS. I have no doubt in the world that the House believed at the time that they passed it that there was a great deal of dumping. I believed it myself. I was of the opinion the members of the Finance Committee believed it was going on until they heard the statements of the customs officials.

Mr. McCUMBER. I for one did not believe it, and I have not believed for years that it was going on.

Mr. SMOOT. I think the Senator voted in the Finance Committee to report the dumping bill that I introduced in the Senate and which was on the calendar at the last session of Congress.

Mr. SIMMONS. No; the Senator is mistaken about that. I have not voted for your bills at all.

Mr. SMOOT. The antidumping bill that I have referred to the committee was approved in the committee, and I do not know of a vote against it, and it was then put on the calendar.

Mr. SIMMONS. Very frequently I have not voted in the committee. That is a very different thing.

Mr. SMOOT. It contained very different provisions with reference to dumping as amended by the Senate committee.

Mr. SIMMONS. The point, and the only point I am seeking to make now, is that when this was incorporated in the bill it was incorporated because it was believed it would materially advance the exactions that would be laid upon foreign imports into this country and would reach the free list and would be a great benefit to that class of our industries that had heretofore been the beneficiaries of tariff protection. A mere apprehension as to the future would not justify such legislation in an emergency bill.

Mr. WATSON of Indiana. Mr. President, if I recall correctly, as the so-called Underwood Tariff Act passed the House in 1913 and came to the Senate it contained an antidumping provision very much like that we have incorporated in the pending bill.

Mr. SIMMONS. No.

Mr. WATSON of Indiana. That is my recollection.

Mr. SIMMONS. No. The provision of that law, if the Senator will pardon me, was that where there was underselling going on on the part of foreign producers or exporters for the purpose and with the intent of injuring or destroying an American industry it should be penalized.

Mr. WATSON of Indiana. Let me ask the Senator if the basis of the provision is not the same in this instance, because here——

Mr. SIMMONS. No; the element of intent was involved in the other bill. The provision at that time was intended to cover just such a case as that of the dye industry. It was said that deliberately, purposely, and intentionally the German dye monopoly was pursuing a course with the purpose and the intent and with the certain effect of destroying the establishment of the dye business in this country.

Mr. McCUMBER. It had to be systematically followed.

Mr. WATSON of Indiana. I recall the provision very indistinctly, I will say to the Senator.

Mr. SIMMONS. The provision was to meet a case like that, where a foreign monopoly or a foreign industry was selling its products in this country, not for the purpose of profit, not in the ordinary course and way of business, but with a view to destroying an industry already established in the United States or so as to prevent the establishment of a business in the United States. That was entirely different from the situation as we find it in connection with this bill.

Mr. WATSON of Indiana. The basis of the pending antidumping provision is that the Secretary of the Treasury must find that the dumping, whatever the article may be or in whatever quantities it may come, is not necessarily for the purpose of destroying an American industry, but that it may destroy an American industry or is likely to destroy it or to prevent the establishment of an American industry.

Mr. SIMMONS. Yes. There is a provision of that kind in the antidumping clause of the pending bill, but the provision as to that in the act of 1916 is wholly different—that law is predicated on the intent and purpose of the exporter—the merchandise must have been brought in with the intent and purpose to destroy or injure an American industry, and so on.

The Senate committee provision is altogether different from the antidumping law of 1916. The Senate amendment simply provides that before the appraisers look for dumping the Secretary of the Treasury must have declared that importations were being brought into this country which were likely to injure an American industry or which would tend to prevent the establishment of an American industry. His finding is in no way conditioned on intent or purpose, while the intent and purpose is the predicate upon which action under the law of 1916 must be based.

Mr. HITCHCOCK. Mr. President, under this bill it is not even necessary that there should be in existence an American industry competing with the foreign product.

Mr. SIMMONS. Under the House provision the Senator means?

Mr. HITCHCOCK. No; even under the provision as reported by the Senate committee.

Mr. SIMMONS. Oh, no; it is not necessary that the industry should be in existence. If importations are being brought in for the purpose of preventing the establishment of an industry, or of an industry that is likely to be established, the provision applies.

Mr. HITCHCOCK. Let me call the attention of the Senator to the following language of the provision as reported by the Senate committee:

> That whenever the Secretary of the Treasury, * * * after such investigation as he deems necessary, finds that an industry in the United States is being or is likely to be injured, or is prevented from being established——

Mr. SIMMONS. Exactly.

Mr. HITCHCOCK. So that, while we may not even have an industry of a given character, somebody may agree that importations of a certain commodity may prevent such an industry being established.

Mr. SIMMONS. That is true, but that differs from the House provision very broadly. The House did not require any finding of that sort; but, on the other hand, the House required that there should be an investigation by the appraisers of every importation that came into this country, with a view to ascertaining whether it came within the definition of dumping.

The Senate amendment just read authorizes an investigation into dumping charged in any case only and when and after the Secretary makes the findings required by the language the Senator has just read.

The provision in question would unquestionably lodge in the Secretary of the Treasury a very broad and sweeping discretion. If the Secretary's findings call for an inquiry the only effect would be that the appraisers would investigate with a view to ascertaining whether the imported merchandise in question was subject to the penalty imposed upon dumping. In other words, to make the matter entirely clear, the finding of the Secretary simply starts an investigation, that is all. The House bill did not require any finding. It arbitrarily directed the appraisers to look for dumping in every case though there was no complaint or suspicion of that practice. The Senate provision would limit these investigations to cases where the Secretary finds that there is probable cause to suspect or believe there is dumping, and that that dumping would likely result in the injury to an American industry, or in preventing the establishment of an American industry. His finding simply starts the investigation, but the finding of dumping would not exclude the merchandise from the market. It would simply result in the assessment according against it the dumping tax.

Mr. SMOOT. The difference, the Senator means.

Mr. SIMMONS. Yes; the difference between the price charged by the exporter and the market price in the country of origin. That is right.

Mr. UNDERWOOD. Mr. President, if the Senator will allow me to make a suggestion, I think the criticism of the Secretary's investigation does not lie in the fact that as a result of his investigation he may discriminate by levying a duty, because in the end the fact must be found that the customary market value in the country of export is greater than the selling price on American soil. If this power is abused—and I do not say that it will be abused, but, of course, the Secretary will detail the power to subordinates—the danger would come, it seems to me, if there should be an attempt to play favorites in the matter. The opportunity is in the negative way. As I understand the bill there is no power to apply the dumping clause until the Secretary, through his agents, investigates the fair market value and the fact is ascertained that a condition exists where the sales in this country of a foreign product are below the customary sales at home. There is, however, no appeal from the Secretary's decision; there is no power to force him to act; and, of course, if there were discrimination it would give the opportunity to use that power exercised by the Secretary of the Treasury to apply the dumping clause in A's case and withhold it in B's case arbitrarily, because he did not proclaim that the idea of a fair market price had been violated.

I do not know whether I make myself clear to the Senator or not.

Mr. SIMMONS. I think the Senator does. The Senator, as I understand him, means that the Secretary might withhold the investigation in favor of one industry and order it against another industry.

Mr. UNDERWOOD. Undoubtedly. In other words, it gives that arbitrary power. I do not say it will be abused, but I think it puts it in the dangerous position that all laws do where you leave to the discretion of individuals the finding of a great fact, whether it is an economic fact or a moral fact.

Mr. McCUMBER. Mr. President, if the Senator from North Carolina will allow me——

Mr. SIMMONS. I yield.

Mr. McCUMBER. We are face to face, however, with the counterproposition. As the bill came over from the House it was necessary to investigate in every instance whether or not the facts constituted dumping, and in addition to that the House bill required a bond if there was even a suspicion on the part of the collector that the goods were being sold for export to this country for a less price than they were sold for consumption in the home country.

That was considered an enormous hardship upon the importers, and the importers naturally complained of that, and I suppose it is entirely satisfactory to them that the bill was so changed that we would not impose this enormous duty and require the bond unless there was some suspicion or some evidence to the effect that it was a case of dumping. I think the Senator would necessarily find that there was just as much danger of a subordinate making his own complaint in one instance in favor of the proposition and in another instance against it as there would be in the case of the Secretary. This provision is simply made so that we will not make an investigation of every one of the imports into the United States, and look for dumping, and impose a penalty, and cause delay, unless there is reasonable ground to believe that there is that danger. The power to determine that reasonable ground must be lodged somewhere, and it seemed that the proper place to lodge it was in the Secretary of the Treasury.

Mr. UNDERWOOD. I do not think the Senator is right about that. I realize that the determination must be lodged somewhere, but I do not think you have put your finger on the right place. I do not want to interrupt the Senator from North Carolina in his speech if he desires to go on now.

Mr. SIMMONS. No.

Mr. UNDERWOOD. If I am not disturbing the Senator, I will put this in.

Mr. SIMMONS. The Senator is not disturbing me at all.

Mr. UNDERWOOD. My experience in legislation is that where you can follow a track that has already been made, and you know how it works, it is safer to keep in the original track.

This dumping proposition is nothing new. Some eight years ago I spent some time in giving it study and thought; and although I am not as fresh on the matter now as I was at that time, at the time the present law was sent to the Senate it contained an antidumping clause relating to the tax value of

goods that were on the taxable list and not on the free list. This bill extends it to the free list, but the provision in the House bill as it came to the Senate eight years ago, to a large extent, followed the Canadian antidumping clause. That is an antidumping clause that has been tried for years, and we know what it can do. That has been in operation, and we know from practical experience what can be accomplished by it; and it may be just as well, if the Senator from North Carolina does not mind, to let me read that clause right here and have it in the RECORD.

I am reading from H. R. 3321, Sixty-third Congress, first session, a bill to reduce tariff duties, to provide revenue for the Government, and for other purposes, that passed the House on May 8, 1913, and came to the Senate. Of course, this provision was afterwards stricken out in conference; but on page 220 of that bill, under section R, the antidumping clause reads as follows:

That whenever articles are exported to the United States of a class or kind made or produced in the United States, if the export or actual selling price to an importer in the United States, or the price at which such goods are consigned is less than the fair market value of the same article when sold for home consumption in the usual and ordinary course in the country whence exported to the United States at the time of its exportation to the United States, there shall, in addition to the duties otherwise established, be levied, collected, and paid on such article on its importation into the United States a special duty (or dumping duty) equal to the difference between the said export or actual selling price of the article for export or the price at which such goods are consigned, and the said fair market value thereof for home consumption, provided that the said special duty shall not exceed 15 per cent ad valorem in any case, and that goods whereon the duties otherwise established are equal to 50 per cent ad valoren shall be exempt from such special duty.

"Export price" or "selling price" or "price at which such goods are consigned" in this section shall be held to mean and include the exporter's price for the goods, exclusive of all charges thereon after their shipment from the place whence exported directly to the United States.

Mr. WATSON of Indiana. Mr. President, is not that practically section 202 of this bill?

Mr. UNDERWOOD. Oh, no.

Mr. WATSON of Indiana. Substantially?

Mr. UNDERWOOD. Not substantially at all, except that your provision relates to dumping and this provision relates to dumping; but the machinery of the two provisions is entirely different.

In the first place, the machinery of your provision relates to every article which may come into the United States. You make it relate to those articles on the free list which, by your own legislation, you say there should be a tax on; but you say that for the benefit of the American people they should have them free of taxation, such as fertilizer and some classes of raw material. You also say, when you put them on the free list, that there is no danger from foreign competition; that your markets should be open to the world, and the domestic producer is in no danger from the importation of those articles. Yet, through a machinery set up by individuals, you can put that price, not only on the American consumer, but on industry, so as to hamper your industry in the future. I think it is most unwise to extend these provisions to the free list.

But that was not the proposition I intended to discuss. Under this provision and the Canadian dumping clause, which is the same, the man who is suffering from the fact that goods are taken into the country and threatening his business immediately complains, naturally. If he makes no complaint, there is no use bringing on the antidumping clause. But he is sure to be on guard. He will sound the alarm the minute he begins to feel that dumping is done, and then there is just one thing to be inaugurated, and that is for the collectors and the appraisers to find the fact as to whether the goods are being dumped here at prices below the normal, fair-value price in the home market, and that arbitrarily takes effect; that is the law. It is the law for all. But in your provision you do not make it the law for all. You put it in the power of one individual to withhold the law if he wants to or exercise the law if he wants to.

I am not charging that your Secretary of the Treasury will improperly use this law. Of course, he will not exercise his power under it personally; but I say you unnecessarily put into this bill a provision under which you leave the discretion, even where dumping takes place, to the arbitrary power of an individual, instead of putting in the law the conditions which shall govern as to whether the antidumping clause shall take effect or not.

I beg the pardon of the Senator from North Carolina for interjecting these remarks, but I thought it might be well to have this clause discussed in that connection.

Mr. SIMMONS. Mr. President, in the main I agree with the Senator from Alabama. The machinery set up by the House bill would not only entail enormous expense, requiring a multitude of officers, but it would be impossible of administration, because the necessary facts would not in many instances be accessible or ascertainable. On the other hand, while the Senate amendment is a great improvement on the House provision, it is subject to the criticism made by the Senator from Alabama as well as that made by other Senators to the lodgment of arbitrary power in an administrative officer who would ordinarily act in the premises through his subordinates. It would probably be better to simply confine the investigations to cases where complaint is made and based on verified statements showing a reasonably grounded opinion that dumping was being practiced in the particular case.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from North Carolina yield to the Senator from Iowa?

Mr. SIMMONS. I yield.

Mr. CUMMINS. If it will not disturb the Senator from North Carolina, there is one matter I would like to have him, or somebody, make clear to me. I am wondering whether the phrase, "fair value," in section 201, is the equivalent of the phrase "foreign-market value" as used in section 202, which provides:

That whenever the Secretary of the Treasury * * * after such investigation as he deems necessary, finds that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of a class or kind of foreign merchandise, and that merchandise of such class or kind is being sold or is likely to be sold in the United States or elsewhere at less than its fair value.

What does the term "fair value" mean as used in that section? Is it the fair value in the United States, or the fair value in some foreign country? I am moved to make this inquiry because when we come to section 202, which is the section under which the antidumping provision is to be enforced, and which follows the finding of the Secretary of the Treasury, we find that the additional tax can only be levied where the purchase price, or the exporter's sales price, is less than the foreign market value. I would like to know whether those two phrases were used synonymously, or whether they were used to express a difference between the application of section 201 and the application of section 202.

Mr. SIMMONS. My attention had never been directed to that language in the way in which the Senator now calls it to my attention. I would assume, however, that the construction which would necessarily be placed upon that, taken in connection with the rule which obtains in ascertaining whether a product is dumped in this country, would be that the phrase "fair value" used in this connection there had reference to the relation between foreign market value and the price charged by the exporter, because the investigation which the Secretary is to inaugurate as the result of that finding is for the purpose, not of ascertaining whether the value is fair as compared with the American price, but whether it is fair considered in connection with the price with which it is to be compared and considered in order to determine and decide the question of dumping. The purpose of inquiry which the finding inaugurates to determine is whether there is a dumping—and the American market value has nothing to do with that.

In ascertaining whether there is dumping, you have to consider the export price and the market price in the country of the origin of the product, and only those two things have to be considered. If the export price is less than the market price in the country of origin, then there is dumping; otherwise there is no dumping. So it would seem that you would have to interpret "fair price" with reference to that definition and the objective of the investigation.

Mr. SMOOT. It says "importation into the United States"; so it must refer to foreign goods.

Mr. CUMMINS. The Secretary of the Treasury must first act and find that a particular commodity is coming into this country at less than its fair value. What is the fair value?

Mr. SIMMONS. There is nothing in that section which defines "fair value." There is nothing anywhere in the bill which defines "fair value." The point I am making is that by construction that language would seem to refer to the value which enters into the determination of the question of whether there is dumping or no dumping.

Mr. CUMMINS. Then it ought to be "fair foreign-market value," or "foreign-market value."

Mr. SIMMONS. The question is whether the value is a fair one, determined by the price at which the article is exported to this country, as compared with the home-market price.

Mr. CUMMINS. What does the Senator from North Dakota say about that?

Mr. MCCUMBER. If the Senator from North Carolina will allow me, I think when you use the words "fair value" it prac-

tically means the cost of production in the foreign country; that is, a fair cost.

For instance, for the purpose of taxation, outside of the antidumping clause, an article may be manufactured for $1. It may be sold in the foreign country for $2, and there is a good, big profit made upon it. Yet, that is the foreign sales value. But in the case of the antidumping provision, if we want to determine whether it is sold for less than a fair value, then we do not take as the basis the market price for which the thing is sold; but if the Secretary finds that it is really being sold for exportation at a price less than it really cost to produce it and still at a reasonable profit in the country of production, it would come under the antidumping provision; and there should be that clear distinction between the foreign market value for the purpose of levying your tariff and a fair value for determining whether or not an article is being dumped into this country for the purpose of destroying an industry.

Mr. CUMMINS. If you mean a fair value as determined by the cost of production in the country which produces it, with a fair profit added, I think you ought to say so. I do not think the fair value necessarily means the cost of production with a profit added. Oftentimes the fair value of an article may be much less than its cost of production or without any regard to profit. It seems to me that, in order to enable the Secretary of the Treasury to perform the duty which he is charged with under this section, you ought to make his duty somewhat clearer than it now is.

Mr. SIMMONS. I agree with the Senator that the language needs definition. I had not noticed it. I think it is very obscure and should be clarified by amendment.

Mr. SMOOT. Under Title II, section 203, the rule is laid down for finding out the purchase price, and they follow that section in determining what the purchase price shall be.

Then, as the Senator from North Dakota said, in the antidumping provision all we can say is what is a fair price based upon the purchase price as laid down in the bill.

Mr. CUMMINS. In section 201 the term "fair price" is not used.

Mr. SMOOT. Yes; we say "fair value."

Mr. CUMMINS. Neither section 202 nor section 203 can be put in operation until the Secretary of the Treasury, under section 201, has performed his function. His function is to say whether a given commodity coming in is likely to come into this country at less than its fair value. Looking at it, not from the standpoint of a Treasury expert, because I do not know much about these things, but from the standpoint of a lawyer, I express the opinion that the Secretary of the Treasury would find it impossible without a good deal of legislative interpretation to determine what his duty is.

Mr. SMOOT. Under section 201 it is simply an investigation. The question of the foreign market value is to be determined when the special dumping duty is imposed, but in this investigation—and that is all there is to it, to see whether a special dumping duty is to be imposed—if such a special dumping duty is to be imposed, then we have to find out the foreign market value.

Mr. CUMMINS. Precisely. I have no objection to either section 202 or 203, but the duty of the Secretary of the Treasury under section 201 is something more than mere investigation. He must investigate and then issue an order. He publishes an order to the effect that a given commodity, naming it, or series of commodities, naming them, is or are coming into this country at less than a fair value. I should like to know where that fair value is to be ascertained and by what rules it is to be ascertained. I think it would not be difficult to do it.

Mr. SMOOT. I can only say that, taking a case just as it would come up if the bill were enacted into law, there might be some producer of a certain article in the United States complain that goods of a similar character that were being imported into this country were being imported at less than a fair value.

Mr. CUMMINS. Fair value ascertained in Great Britain or fair value ascertained in Germany or in France, or in what country, or in our own country?

Mr. SMOOT. In whatever country it came from.

Mr. CUMMINS. It does not say so.

Mr. SMOOT. But it must be, because the complaint would be that the goods from France or the goods from England or the goods from Germany that came in here were coming in at less than a fair value, and therefore the investigation is made, and section 201 authorizes that investigation.

In that investigation it is found from the testimony that is given that the goods came in at less than a fair value. Then, if that thing happens, immediately they commence to make an investigation as to what the foreign market value is, so as to impose the dumping duty.

Mr. CUMMINS. I understand; that is section 202.

Mr. SMOOT. Yes.

Mr. CUMMINS. But, as I repeat, section 201 has first to be complied with before section 202 can be operative. The only thing I have in mind is this: It seems to me quite possible that under section 201, with its somewhat, I think, inaccurate expression, the Secretary of the Treasury could raise the duties upon every article and commodity that comes into the United States, even though there is nothing like the dumping which we have ordinarily in mind when we speak of dumping.

Mr. SMOOT. Before that could be done there would have to be complaint and investigation made, and I do not think there is any Secretary of the Treasury or any appraiser in the Government service who would for a moment make such a decision after fair investigation and fair value had been established. But I will say to the Senator there are many goods that will be shipped into this country where we will know upon the face of them that there is not a fair value.

Mr. CUMMINS. I wish to reach those cases.

Mr. SMOOT. If we put in the fair market value, every investigation would lead the Secretary of the Treasury, as the law provides, to an investigation of the foreign market value. This is the only place where we say "fair value." Every other place in the bill it says foreign market value, and that is the reason we did not want to go to the foreign market to find that out. We can find it out here.

Mr. CUMMINS. Every place in the bill, so far as I am able to see, other than this section, where the words value or market price have been used, they have been carefully defined, so that really the work of application is made easy. This is the only place in which there is no definition, and the latitude, I venture to say, is very great.

Mr. SMOOT. I think it ought to be. I think in this particular case, where investigation is to be made, the Secretary of the Treasury ought to have latitude, because there are instances of goods coming in here which, upon examination of the goods and comparison with goods coming from other foreign countries, show that there is not a fair market value given. In such cases as that we would not have to go to the foreign country to make an investigation, but we would know upon the face of the situation that it was not a fair value, and we would then put the machinery in operation. After that, when the special dumping duty applies and the purchase price must be established, section 202 and section 203 go into minutest detail and we say whether it is the home price or American price or whether it is the foreign price and what constitutes the purchase price, either in the foreign country or in this country.

Mr. CUMMINS. I apologize to the Senator from North Caroline for interrupting him in this way.

Mr. SIMMONS. I have been very glad to yield to the Senator from Iowa. Undoubtedly the language used is obnoxious to the criticism the Senator makes. The only guide the Secretary would have in finding the fair price would be, as it appears to me, the objective of the investigation his findings would start, and as the result of that would be determined by whether the price charged by the exporter is below or above the market price in the country of exportation the standard would have to be the foreign market value.

[At this point Mr. SIMMONS yielded the floor for the day.]

Friday, May 6, 1921.

Mr. SIMMONS. Mr. President, the Senator from Iowa [Mr. CUMMINS] on yesterday, in the course of certain colloquies in interruptions made in my speech, called attention to the uncertainty of the phrase "fair value" as used in the antidumping provision of the bill in connection with the required findings of the Secretary of the Treasury antecedent to investigation to determine whether or not there was dumping. I stated then that I thought that language would have to be construed in connection with the context and the purpose of the inquiry, and that in that sense it would probably be construed to mean the "fair market price" in the country of exportation. While I think that is true as a legal proposition and is the construction that should be given to this language, I feel after reflection that in a matter of such importance the obscurity should be removed, if it can be done without handicap to the purpose in view by clarifying emendation.

Mr. President, I spent a great deal of time yesterday in discussing dumping. I did it deliberately and purposely. For months and months my patience has been, if not exhausted, severely tested and taxed by the never-ceasing cry of "Dumping!" "Dumping!" "Dumping!" I could hardly open my mail, morning or afternoon, without having to read letters from somebody telling me about some countries dumping in this country the character of goods they produce or in which they

deal. I could not undertake the reading of the House hearings on the tariff without having to wade through all sorts of long-drawn-out stories of the ruin threatened or being inflicted upon this and that industry by the wholesale dumping of like foreign goods into this country—stories about the Danes dumping butter into this country, Dutch dumping cheese into this country, France dumping olives, Egypt dumping cotton, China dumping peanuts, Germany dumping a part of almost everything she produces into this country, all to be sold at sacrifice cost prices, greatly to the injury of the complaining industry. The atmosphere of the Committee on Finance and of the Committee on Ways and Means, when hearing the testimony of these people who came here seeking special favors through tariff duties, reeked with the odor of dumping. The House committee wrote this bill and inserted this antidumping clause in it under the influence of the sentiment generated and nourished in that atmosphere. In all this and the other propaganda out of which this bill with this antidumping clause had inception and birth there was no suggestion of relatively high prices of imported merchandise; the talk was low prices and competition with goods produced by pauper and underpaid wages and offered here at starvation prices.

When the bill came to the Senate some of us ventured to suggest that this provision and the currency valuation clause would establish a system of customs taxes not only unequal in application and uncertain in amount, but in many cases exorbitantly high, resulting in injustice to the American consumer and the serious disturbance of our foreign trade.

Under these circumstances the Senate committee met, called experts, supposed by reason of official knowledge, observation, and experience to be informed as to the essential facts upon which these provisions were necessarily predicated, and as a result of their testimony, and possibly a change of policy resulting therefrom, when the bill gets into the Senate and is taken up for discussion the whole line of argument is changed and we are assured by the other side of this Chamber through its spokesman upon the Finance Committee that the provision is practically innocuous; that there is no dumping going on here now, and that there never has been any dumping here in the sense of the definition in the bill, and that the provision was inserted in the House bill and had been retained in the Senate substitute because of a fear or of possibility that the unexpected might happen and that what has not happened in the past may peradventure happen in the future.

Mr. President, it was this situation that moved me in my remarks on yesterday to endeavor to test out the facts and grounds of the attitude of the majority upon this provision. In view of the statement made by the Senator from North Dakota [Mr. McCUMBER], in his opening speech of the day before, the apparent attitude of the other side of the Chamber with respect to this matter was somewhat confusing and I wanted to try out the thing. I wanted to get the facts. The people had undoubtedly been led to believe that there was a great amount of dumping going on in this country. The Senator from North Dakota [Mr. McCUMBER] in his speech had said there was no dumping. I wanted to see what the other Republican Senators, especially those on the Finance Committee, had to say with respect to this provision of the bill. I wanted to present the dumping question in such a way that they would express themselves if the Senator from North Dakota did not reflect the real opinion of the other side of the Chamber with reference to this question.

Again, the Senator from North Dakota in his speech had confined himself largely to the situation with respect to Germany, and I wanted to find out if there was no dumping from Germany whether there was anyone on the majority side who claimed there was dumping here from anywhere else, so I asked yesterday if there was no dumping from Germany was there any from Great Britain or any other European country. I was solemnly assured by Senators on the other side that there was none. I inquired if it was claimed that there was dumping from any part of the world. I wanted no doubt about the record in respect to this matter. I wanted the record made clear and unmistakable. And so, Mr. President, when hereafter we hear these charges of dumping, when we hear these complaints of the people, we shall be able to say that it has been openly admitted by the party in power upon the floor of the Senate, in the face of the American people, that there is no dumping which the antidumping measure they will soon enact in response to the demand of the people for effective protection against dumping will reach and remedy.

Mr. President, I wanted also to find out why, since they claimed there was no dumping, the majority party had put this antidumping provision in the House bill it was proposed to keep after they discovered it was innocuous. The answer was that there may be dumping in the future, and if it does no good it will do no harm.

Again, I sought to learn why it was thought necessary or expedient under these circumstances to put this provision in a six months' emergency bill when a general and permanent measure was in preparation. To this definite question no answer was forthcoming or could be obtained. I took up a good deal of time yesterday in discussing these phases of the antidumping clause, and I think it was time well spent.

Let us consider briefly the several positions as developed in these discussions of the majority with respect to this antidumping provision of the bill.

Does the situation show an emergency? Surely it does not. There is no emergency. First, because it is confessed there is no case where any foreign country is or has been selling us goods for less than the price charged in its own markets, and that is the kind of dumping defined in the bill and which is penalized—no other dumping comes within its provisions.

There is no emergency in this case because there is no dumping—just as there is no emergency in the case of the agricultural products embraced in the bill, because in the case of many of these products, such as corn, there are practically no imports and no amount of duty could affect the domestic price, because in cases where the importation, as in the case of peanuts and vegetable oils, the alleged influx claimed at the time this measure was first determined upon—if it then existed—has ceased, and importations in every such case have in recent months not increased as the proponents of the bill claimed, but on the contrary have rapidly and continuously decreased until to-day they are comparatively negligible. In other words, the assumption of facts upon which the necessity and emergency is predicated do not exist—in some cases never did exist—and in others if they ever existed have ceased to exist.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER (Mr. HARRELD in the chair). Does the Senator from North Carolina yield to the Senator from Florida?

Mr. SIMMONS. In just a moment. In the case of dumping, Mr. President, people who complained from one end of the country to the other came to the Congress and asked the Republican Party to help, and instead of giving them bread the Republican Party, as frankly admitted upon this floor, has given them a stone. The farmers throughout this country have come here complaining of the situation and asking relief from this Congress, and, as in the case of dumping, they offer them relief which is utterly ineffective to cure the evil. In the case of the farmer, as in the case of the complainant against dumping, the Republican Party has nothing to offer him except a stone.

Mr. HITCHCOCK. Mr. President, I would suggest a "gold brick" instead of a stone.

Mr. SIMMONS. That is more descriptive of what it is, far more descriptive, and I thank the Senator for the expression.

I now yield to the Senator from Florida.

Mr. FLETCHER. Mr. President, I am examining the hearings before the Committee on Finance, and I find the testimony of Mr. Doherty at page 98, and I am wondering how the committee regarded Mr. Doherty's attitude and what value they placed upon his statements.

Mr. SIMMONS. My recollection is that Mr. Doherty gave about as illuminating and as clear and as full testimony as anybody who appeared before the committee. He is now engaged in some private business, but for 18 or 20 years, I think, he had been connected with the Customs Service.

Mr. FLETCHER. I find the following on page 98:

> Senator REED. Do you know of any instances where they are selling abroad cheaper than they are at home?
>
> Mr. DOHERTY. I do not. But on that point the gentleman will recall the testimony of one of the Government witnesses, Mr. Davis, who said there is no dumping at the present time. There could not be under present conditions. It reminds me very much of that chapter on Snakes in Ireland. There are no snakes in Ireland. In the matter of antidumping, there is no dumping going on now at all.

Then Senator SIMMONS asked him:

> Can you give the committee, from your investigations, any idea about how much these prices have increased over prewar prices, measured in percentage?

That is, the foreign price. Mr. Doherty answered:

> I do not know whether we have reduced these to percentages, gentlemen.
>
> Senator SIMMONS. Give them approximately.
>
> Mr. DOHERTY. Approximately, from 25 per cent up to 400 and 500 per cent in some instances. For example, these gloves that I have mentioned advanced from $2 to $3.68. That would be pretty near 80 per cent increase.

Then, on page 103, the following occurred:

Senator REED. As a matter of fact, you claim, then, that this bill, if it is passed, will operate distinctly in favor of Germany and Austria and those countries, or against them?

Mr. DOHERTY. It will close our markets to those countries. It will be an embargo, in effect, against the goods from Central European countries, from Poland, Austria, Jugoslavia, Germany, Rumania——

Senator SIMMONS. It applies only to countries where there has been a depreciation in the value of the currency?

Mr. DOHERTY. Yes.

That seems to bear directly on that question, both as to the increase of prices in foreign countries and also on the question of dumping.

Mr. SIMMONS. Mr. Doherty is right. Germany is selling her goods and merchandise in our markets for prices higher than she sold them to us before the war as are most other foreign countries. Germany sells here in some cases 100 per cent higher than similar goods are sold in the German home market. There is no dumping in her case, because the bill defines dumping to be the selling in our own markets of foreign-made goods at less than goods of a similar character are habitually sold in the market of the country of production. So there is no technical dumping in the case of Germany, or possibly any other foreign country. We are probably the only country that dumps, according to that definition, and so dump habitually.

But it is not of technical dumping the people complain. As much harm may be done by selling only slightly above a low foreign market price as slightly below. What the people demanded was relief against either practice. This bill denies that relief. It provides against a condition which Senators say does not exist and refuses relief against a condition which the people claim does exist and which it would seem may be equally hurtful.

The Republican majority are apparently preparing to say to these complainants, "We did the best we could; we passed an antidumping law," just as they are preparing to say to the farmers, "We did our best; we put a duty on your products," though they know a duty will be futile in accomplishing what they ask, namely, to establish a remunerative price for his products.

The Senator from North Dakota [Mr. LADDER] said if this antidumping clause would do no good it would do no harm. They may say the same thing about the duty this bill puts on corn and some other articles it includes with tariff duties can not possibly help. But is it true in either case that such fake remedies can do no harm? I think the practice to promote partisan purposes discredits legislation, shows its bad faith, and that can not be other than hurtful.

Is there any justification for this feature? If is alleged apprehension—now practically admitted to be the only reason or excuse for retaining this provision penalizing a kind of technical dumping admitted not to exist at this time?

Let us see. The proponents of this provision claim that the reason there is no dumping now is because the bill defines dumping to be the selling of foreign goods by the exporter in this country at a price below the prevailing price in the country of production for home consumption and that the standard of prices in this country are and always have been higher than in any other country in the world. In these conditions naturally the foreign exporter wants to get the benefit of these higher prices and so places upon the goods sent to this country a higher price than he could get in the home market—and for that reason though he sell here below the American level he is not chargeable with dumping. But they say this situation may change, and because of their apprehension that it will or may they have retained and insist upon retaining this provision in the bill. Do Senators believe we are in danger of losing our primacy of maintaining the highest level of prices in the world? I do not believe it. Our prices, whether high or low, have always been relatively higher than those of other countries. They may fall here, but if so they will also fall elsewhere—the relative range will remain in our favor.

If our present higher prices cause the foreign exporter to invoice his goods to us at prices above those prevailing in his own country, he will by the same token continue to do the same thing as long as our prices remain relatively higher than those of his own country, and there will be no dumping.

I have already spoken too long upon the subject, but before I leave it I want to say just one thing more about it. Mr. President, the thing we condemn in this statute and penalize if done to us we ourselves have done and have long done systematically and habitually to every nation in the world. Indeed, our great and growing export trade has been built up through systematic dumping as a national policy; especially is this true with respect to our great organized and monopolized industries. We have, as we always have had and will continue to have, the highest standard of prices in America that obtains in the world. In these conditions it must be apparent we could not and can not successfully compete in the open markets of the world and sell our surplus there unless we are willing to sell below the American level. The price level of every country on the globe is below ours, and when we enter their markets in world competition we must come down to their price level or get out of the contest. That would in present conditions mean national disaster. I am not suggesting retaliation. I am simply suggesting the inexpediency and unwisdom, not to say foolhardiness, of the great dumper nation of the world denouncing and penalizing other nations for doing to us what we habitually, as a supposedly necessary business policy, have done and continue and must continue to do to them, and that for no reason except a vague and apparently ungrounded fear that at some time in the future dumping here, which it is admitted does not exist, may develop.

It is a course which, in my opinion, will inevitably make a bad impression abroad—which will be of doubtful good from a business standpoint and may, from an international standpoint, do positive harm, as well as subject us to the suspicion and charge of national uncharitableness and selfishness.

Mr. President, it may be that the dumping provision in this bill is innocuous. If it is innocuous, it ought to be stricken out, and if some real remedy is needed, a substitute ought to be offered which would cover the case, and not a bill which is so restricted by definition that it includes nothing.

But, however that may be, with reference to the dumping clause, the foreign currency valuation clause in the bill as it passed the House, and in the Senate amendment to that bill, is a provision which will operate to increase, and increase to a very large extent, the amount of taxes which the ultimate consumer in this country will have to pay upon all articles of merchandise on the dutiable list in one bill from certain countries of Europe, South America, and Asia, possibly; but in the other as to merchandise from any part of the globe.

Under the bill as it passed the House, Mr. President, we have a scheme of determining the value of foreign coin by legislative enactment. We arbitrarily fix that value which in effect, in its actual application, as to importations to this country, in many instances, notably in the case of Germany, will increase from three to four times the valuation basis upon which tariff duties are to be collected. Of course, Mr. President, there is no change in the present tariff duty; that is not necessary under this scheme. Under this scheme there is a different method of valuing foreign imports from that which obtains under the present law.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. SIMMONS. In just a moment. So that the present tariff rates in their entirety are retained as to everything not specially provided for in the tariff emergency provisions of this bill, but a different basis of valuing foreign goods for applying customs taxes is provided, namely, a legislative fixing of the gold value of the paper currency of a foreign country selling us merchandise and invoicing them at prices expressed in the currency of their country. This price is converted into gold not at the market exchange price but at this arbitrary legislative rate.

Now, I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. I ask the Senator to give at some time a concrete illustration of how this valuation works out.

Mr. SIMMONS. I shall try to do that. Mr. President, that is the bill as it passed the House. Under this provision defining the basis of valuation and changing it, in answer to the question of the Senator from Massachusetts, it is fair to say that only those countries will be affected seriously by this provision of the bill as it passed the House whose currency is depreciated.

Mr. WALSH of Massachusetts. That means nearly all countries in Europe now.

Mr. SIMMONS. Nearly all countries of Europe and probably some other countries. In that respect the Senate committee amendment differs. The provision contained in the Senate committee amendment will have a broader application.

Mr. President, the bill as it passed the House does not change the method of valuation at the customhouse. It only defines the value of foreign currency converted into gold; foreign currency valuation will be converted on the basis of exchange rate fixed in the bill.

According to all the testimony, Germany is to-day importing goods to this country and selling them upon the American market, at prices estimated in gold on the conversion basis of 1.60 cents per mark, in excess of the prices at which she sold us

similar products before the war, and in many instances, according to the testimony of the witnesses, approximately as high as the prices that obtain in the American market for American goods. German goods which are coming in now pay on this basis of currency exchange on a higher valuation at the customhouse than the valuation on which they paid before the war. The amount of revenue this Government is getting from them under the present law is more than it was getting from them before the war under the present law.

Yet the House says that, in order to further restrict importations into this country hereafter, the German mark, for the purpose of determining the value of these German goods in the customhouse, shall be estimated at not less than one-third of the face value of the paper mark. Now, the face value of the paper mark is something over 23 cents; I forget the exact fraction. One-third of that would be the customhouse basis of calculation for the purpose of conversion under this House bill provision, so that hereafter in converting the marks into gold to ascertain the price on which German goods would be taxed, instead of calculating a mark as worth 1.6 cents, it would be calculated as worth about 7.5 cents, over three times as much as at present exchange rate. Automatically that would have the effect of greatly raising the valuation of the German goods for the purpose of customs taxation.

Mr. WALSH of Massachusetts. So that if an American purchaser invested a thousand gold dollars in German goods that had been imported to this country, those goods would be valued at over $3,000 for the purpose of taxation at the customhouse in New York.

Mr. SIMMONS. That is my understanding. The goods are invoiced in paper marks and converted into gold on the basis of 7 cents per mark instead of 1.60 per mark. Of course, that would not be so glaring in many other cases as it is in the case of Germany. Her currency is enormously depreciated. It is worth almost nothing at this time.

The House provision is an absolute legislative monstrosity. There is no explanation of its inclusion in the bill by that body except that they intended that this should be not a protective levy, but that it should operate as an absolute and complete embargo against importation of all products coming from countries having greatly depreciated currency. The Senate substitute is not so bad. It has a broader application. It is true, but it is not so bad. The Senate substitue eliminates the currency valuation provision as proposed by the House and substitutes for it a different method of valuation of foreign imports, as I have before explained.

Under the existing law the imports are valued at the customhouse for purposes of taxation at the price at which those goods are ordinarily sold in the markets of the country of origin. The testimony was that in many cases, especially goods from Germany, exporters and importers were selling here at from 25 to 100 per cent more than the home market price. The Senate substitute provides that for the purposes of levying duties upon imports from all countries the valuation shall hereafter be fixed either at the market price of the merchandise in the country of origin or the exporter's sales price, whichever is the higher of the two in the law.

Mr. WALSH of Massachusetts. Is there any precedent in previous tariff legislation for that system of valuation?

Mr. SIMMONS. None in this country. Some Senator said that was a just provision—that is, that in his opinion it furnished the proper basis for valuation for the levying of tariff taxes.

The answer to that is that while it may possibly be defended in principle, yet in many instances it will operate very harshly against imports from one country and bear very lightly upon imports from another country.

Mr. NORRIS. Mr. President——

Mr. SIMMONS. Just permit me to conclude this thought, and then I will yield.

However that may be, it is a very late day for the Republican Party to discover that in all the years during which they have been passing tariff bills in this country it has never occurred to them heretofore that it would be just or expedient to value imports upon the basis of the exporters' sales price rather than upon the basis of the market value in the country of exportation. There is not a tariff law upon the statute books, and the Republicans have put many there, that varies this general principle of valuation. They all recognize the selling price in the market of origin as the fair and proper measure of value for the purpose of taxation.

I now yield to the Senator from Nebraska.

Mr. NORRIS. I wish to ask the Senator if the difference between the export price and the selling price in the country of origin has varied to any great extent prior to the currency difficulties that now exist.

Mr. SIMMONS. I think it has varied in different markets.

Mr. McCUMBER. How much?

Mr. SIMMONS. I do not know. I am not prepared to answer that question.

Mr. NORRIS. I was wondering if there was any material difference.

Mr. SIMMONS. Let me answer that in this way: Senators on the other side when we were discussing the question said that it is perfectly natural that Germany should be valuing these products for purposes of export twice as high as the price at which they can be sold in Germany, because naturally Germany wants to get the full benefit of the high prices that obtain in the American market, and therefore she sends her goods here valued and to be sold at higher prices than they sell for in her own country; otherwise she would not get the benefit of our high prices, and naturally she wants to get the benefit of those high prices.

If that is the reason why Germany is doing this thing, can the Senator tell me why that reason should not apply hereafter as well as now, when things have become normal?

Mr. NORRIS. He would charge the highest price he could, but the point is, without discussing the propriety of those two prices, which I presume is a fact and seems to be undisputed, that I am not asking the Senator to explain the difference in price. It seems to be an existing fact. The point on which I was trying to get light was whether that kind of condition ever existed before. If it did not, then of course there would have been no reason for changing the basis of the relations.

Mr. SIMMONS. I presume in some countries it did exist. For instance, Egypt raises 1,500,000 bales of long-staple cotton. That is not enough to supply the demands of the world. By reason of the fact that she is the only country that produces it, except about 60,000 bales which are produced in this country, she has a monopoly of long-staple cotton. There is an active market everywhere. The price in the British market, the price in the American market, the price everywhere is very high. Great Britain and America are in competition for that cotton and their competition makes the foreign price very high. But I imagine there has been a time, if it does not exist now, when the home market for this cotton in Egypt was very low compared with the price in other countries.

Mr. NORRIS. It seems to me, if the Senator wishes to discuss the reason for that difference in price, that it must be that wherever there is a difference in price there is no very great competition between purchasers for home consumption and purchasers for export. In the case of Egypt, to which the Senator refers, whoever owned the cotton would sell it wherever he could get the most money for it, and if there was a demand and a shortage in the world of that product the exporters, if they were paying a higher price, would get it all, and there would be none left for home consumption. In other words, the point I wish to make is that if there were free and unrestricted competition the domestic price and the export price would be somewhere about the same.

Mr. SIMMONS. To a large extent that would be so, but not always. The illustration I gave with reference to Egypt is more strikingly brought out and emphasized by the situation that exists in China and Japan, but especially in China. China is a great producer of peanuts, which is an essential article of food in China. China consumes enormous quantities of peanuts. She has to import very frequently many million bushels, but notwithstanding that she sells to foreign markets every year a large amount of peanuts and buys from other countries where she can get them cheaper. The price of peanuts in the markets of that country is materially lower than the price they are invoiced and sold at here, and when those peanuts arrive in this country they are sold but little below the domestic price. I mean by that the exporter's sales price is very little below the prevailing American price and very much more than the domestic market price in China.

Mr. McCUMBER. Will the Senator allow me to ask him a perfectly fair question upon the real matter at issue, and he can answer it in any way he sees fit?

Mr. SIMMONS. Certainly.

Mr. McCUMBER. Leaving out of consideration the wickedness of the Republican Party and the equally satanic impulses of the Republican members of the Finance Committee——

Mr. SIMMONS. They are fine fellows, all of them.

Mr. McCUMBER. And getting right down to the simple proposition, suppose that an article is produced in Germany and sold for 25 cents. The same article is sold for export in Germany for 50 cents. The American price of the same article is $1. The importer pays 50 cents for that article. He can get $1 for it in the United States, making a good, fair remuneration and profit. If he gets the American price and can sell at that profit, ought he not to pay the Government a tax based upon the 50

cents, rather than a tax based upon the 25 cents? In other words, should not the Government have that benefit rather than put it into the pocket of the importer, at the same time leaving sufficient for the importer to make a good profit?

Mr. SIMMONS. Mr. President, I am not saying that the principle upon which the proposed system of valuation is based is not defensible. There is the viewpoint which the Senator now suggests. It is very strange, however, that the idea has never before occurred to the Republican Party. As a matter of policy, we could adopt it in this country, and possibly, although it would work hardship upon some countries and would be discriminately favorable to other countries, it could be defended in principle; if we wanted to adopt that standard in a tariff bill we could do so, and I do not think it would be the subject of any very serious controversy.

Mr. McCUMBER. It has not been adopted heretofore, let me say to the Senator, because the invoice price was practically at all times corresponded with the foreign selling price.

Mr. SIMMONS. Mr. President, I am not complaining of the principle which has been applied in this provision for the first time in the history of this country. What I am complaining of is that it is a device adopted at this particular juncture in an emergency tariff bill, not for the purpose of changing the method or standard of valuation—that is not the essential thing which Senators have in mind—but they have put this provision into the bill for the purpose—and it will accomplish that purpose—of increasing at an indefinite and uncertain rate the amount of taxes which will have to be paid at the customhouse under the present tariff act upon every article of merchandise which comes from certain countries of the world.

Mr. President, if it is desired to put this provision into the general tariff bill, let it be done, and then let the taxes be levied upon that foundation. I want to say to Senators now that upon the proposed basis of valuation the amount of taxes which we shall collect at the customhouse from imports from more than half of Europe—indeed, from nearly one-half of the world, for the law applies to other countries besides the countries of Europe—the taxes which will be collected at the customhouses under the present law will be very much higher in many instances than those which would be collected under the old valuation if the Payne-Aldrich law were in force, and in some instances they will be 100 or 200 per cent higher.

This provision should not be adopted as a tax provision except in connection with a general revision of tariff duties, because in fixing tariff duties the valuation basis of importation is an important factor and element for consideration in determining the just and proper rate of duties. The present rates were fixed with reference to the lower basis of valuation, and if you change that standard to the higher basis of the exporter's selling price you automatically and unconsciously increase the amount of the taxes to be paid. Logically, you would not levy as high a tariff rate to accomplish your purpose, whether it be revenue or protection, on the higher valuation as on the lower. Hence I say this basis of valuation can not be used with fairness to the consumer as well as to the exporter be used except in connection with a general revision of the tariff schedules.

It is proposed through this provision of the bill, Mr. President, to levy a tax upon the people—an indirect, hidden, indefinite, and unequal tax—the amount of which is unascertained and which it will take time to investigate and ascertain, by applying the present tariff rates to a different and much higher basis of valuation than the one they were fixed and enacted to be applied to.

When a tariff duty is levied the people know what taxes are being put upon them; they are written upon the face of the tariff law. Every man knows what burdens the Government has asked him to assume, but here it is proposed to levy a tax upon all the people of this country, with slight information in advance as to how much present taxes will be increased. This is a dangerous precedent in imposing taxes, and one which, Mr. President, ought not to be resorted to except in connection with a readjustment of tariff rates.

Mr. President, I wish to put into the RECORD a statement furnished me by certain tariff experts, some of whom testified before the Finance Committee, who have addressed themselves to the study of this question, giving as approximately as they can within the time for investigation the increases in valuations of certain articles of foreign merchandise if the valuation provision reported by the Senate committee is adopted.

It will be seen, taking Germany, for instance, that on all kinds of beads the increase in valuation will be over 50 per cent; on certain cheeses coming from Italy the valuation will be increased 144 per cent; on certain other classes of cheese coming from Italy the increase will be 581 per cent; on confectionery of a certain kind coming from Austria the valuation will be increased 187½ per cent; on surgical instruments from Germany the valuation will be increased from 33⅓ to 50 per cent; artificial horsehair from Germany is increased in valuation 120 per cent; lighting fixtures from Czechoslavakia, from 100 to 150 per cent; drawing instruments from Germany, from 75 to 135 per cent; rifles from Austria, from 50 to 100 per cent; chinaware from Germany, from 100 to 150 per cent; fancy goods, from 50 to 200 per cent; dinner ware from Czechoslavakia, from 30 to 80 per cent; earthenware of a certain kind from Germany, from 50 to 100 per cent; and so on, the rates increasing to a greater extent on commodities imported from some countries than in the case of other countries.

Mr. McLEAN. Mr. President, the list which the Senator is reading was inserted in the RECORD yesterday by the Senator from Pennsylvania [Mr. PENROSE].

Mr. SIMMONS. Very well; then I will content myself with the reference to the articles to which I have called attention.

Mr. President, I desire to insert in the RECORD a comparison in parallel columns in connection with the alternative valuation methods proposed by the Senate committee substitute. The comparison shows the method of measuring the foreign market value—that is, country of origin—and the export value; that is, the price at which the exporter sells the merchandise.

The VICE PRESIDENT. Without objection, the comparison will be printed in the RECORD.

The comparison referred to is as follows:

Rules prescribed in Title III, sections 302 and 303, for ascertainment of value for the purpose of assessing ad valorem duties.

FOREIGN MARKET VALUE.	EXPORT VALUE.
Price at which such merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported in the usual wholesale quantities and in the ordinary course of trade for home consumption (if not so sold or offered for sale, then for export to countries other than the United States).	Price at which similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the exporting country, in the usual wholesale quantities and in the ordinary course of trade for exportation to the United States.
This price shall include: 1. Cost of all covering or containers. 2. All costs, charges, and expenses incident to placing in condition, packed for shipment to United States.	This price shall include: 1. Cost of all covering or containers. 2. All costs, charges, and expenses incident to placing the merchandise in condition, packed for shipment to the United States. 3. *Amount of any export duty* by exporting country.
Time: Price at time of such exportation, or as of date of such purchase or agreement to purchase.	This price shall not include: 1. Costs, charges, United States import duties and expenses incident to bringing from place of shipment to place of delivery in United States.

Mr. SIMMONS. It will be seen from this statement that the two methods of value differ in two respects: First, market value is based upon the price for home consumption; and, second, the export value is based upon the price of exportation. Market value does not include the tax imposed upon the exportation of the article, while the export valuation includes any export tax that may be imposed by the country of production.

Thus, Mr. President, if we adopt the higher export price we not only levy a tariff tax upon the merchandise but we levy a tariff tax upon the export tax, which export tax also operates as a protective tariff duty for the benefit of the American producer. So the American producer in his competition gets the benefit of the export tax, and then the amount of that export tax is actually required to pay a tariff tax in this country for his further protection. I will not discuss that further.

Mr. President, I have been examining the report made by the Finance Committee upon this bill. In that report they bodily copy the report of the Ways and Means Committee of the House, drafted, I suppose, by Mr. YOUNG, whose name that bill bears. In that report I read as follows:

> There is now a large surplus of farm products in this country caused partly from under consumption, but chiefly by the dumping here of great quantities of foreign products. This surplus will continue to increase so long as present world conditions exist.

Mr. President, I can see how a man might have said that six months ago with some show, at least, of justification, when temporarily imports to this country were inflated, largely, as I said yesterday, as the result of the enormous war supplies of the various allies and the Central Powers which had been thrown upon the market and had to be absorbed, and were seeking a market anywhere it could be found, at any prices which could be obtained; but it passes my comprehension how any man with reasonable knowledge of the facts as they exist to-day with reference to importations could make that declaration in a solemn document, and assert that the assumption of those facts furnishes the foundation and the basis of legislation imposing enormous tax burdens upon the people of this country.

Mr. President, the trouble about this agricultural emergency tariff is that it is based upon a false assumption of fact. It

should be evident to every one at all familiar with the facts as to the domestic production and consumption of some of the agricultural products embraced in this bill that no amount of tariff duties can affect the American price one way or the other.

For instance, take corn. We raise about 3,000,000,000 bushels of corn annually in this country. During the last eight months of the present fiscal year we imported only 500,000,000 bushels of corn. We exported during the same period 24,000,000 bushels, nearly five times as much as we imported, and our imports bore to our production the relation of 5,000,000 to 3,000,000,000. Yet, Mr. President, the corn farmers of this country are told that the importation of 5,000,000 bushels, an amount less than is raised in some counties in the Central West, is the chief cause of their present distressful condition. They are told that these 5,000,000 bushels of corn imported here from abroad have broken the price of corn in this country and reduced it from $10 a barrel to about $3.50 to $4 a barrel.

Is it possible with the boasted initiative and constructive ability of the Republican Party the only thing it can think out and do in response to the appeal of the millions of corn producers of the country for relief from present deplorable conditions is to place a tariff tax of 15 cents a bushel on 5,000,000 bushels of corn imported into this country during the past eight months?

Is there a man of ordinary intelligence who has investigated the matter as you have on the other side of the Chamber, and who understands the effect of the duty you are giving him, who does not know that that is a fake? Why do you want to try to deceive the farmer in that way?

I could follow that up with illustrations from the bill, but, Mr. President, I do not intend to go into that at this time. What I desire to do now is to file some tables for the purpose of showing that importations have been for many months past, and are still, rapidly decreasing, and that importations in general, taking those from the world as a whole, are not excessive; that they are probably not as large as we might expect them to be under the conditions that exist now. And especially that agricultural importations are not increasing as the majority would have the farmer believe, but have for months been rapidly decreasing and with respect to many articles embraced in this bill have practically ceased as the case of peanuts and many of the vegetable oils will illustrate.

Mr. President, I have here a table of imports from different groups of countries for February, 1921—the present year—and for February, 1920. First let me take European importations:

In February, 1920, the imports from Europe taken as a whole, in round figures, were $106,000,000. In the month of February, 1921, just one year afterwards, the total imports from Europe were $55,000,000, or just about one-half.

Take the Central American States. In February, 1920, the imports were $4,770,000; in February, 1921, they were $2,352,000—about one-half.

In the case of Cuba, in February, 1920, the imports were $72,000,000; in February, 1921, only $28,000,000.

The total for North America in February, 1920, was $136,000,000; in February, 1921, only $78,000,000.

Argentina: We have heard a great deal of talk about the flood of importations from Argentina, especially agricultural imports. Attempts have been made to frighten the farmers with the prediction of rapidly growing imports from Argentina and Brazil, both great agricultural countries. In February, 1920, our imports from Argentina were $15,000,000; in February, 1921, only $5,000,000, or one-third.

Bolivia: $951,000 last year, as against $379,000 now.

Brazil: Another country from which we are said to be in danger of importations. Brazil's exports to this country in February of last year were $17,000,000; in February of this year, $9,000,000.

Chile: Last year, in February, $12,000,000; this year, in February, $4,000,000.

Colombia: Last year, $4,000,000; this year $2,000,000.

All the other States of South America are in about the same proportion.

Mr. President, I come now to Asia. We have heard more about the dangers of Asiatic competition than about the dangers from imports from any other section of the world, I presume.

In my section of the country the farmers have been led to believe that in all probability in a few years Japan and China will come over here and take charge of our markets, as far as agricultural products are concerned. Some of them have been led to believe that those conditions are to be precipitated upon us right now. These facts about China are that in February, 1920, our imports from China were $20,000,000: in February, 1921, they were only $7,000,000 in round figures.

Our imports from British India in 1920 were $14,000,000, in round figures; in 1921, this year, they were $8,000,000, in round figures.

Japan has been held up to the farmers of this country as one of the greatest menaces, to agriculturists especially. We imported from Japan last year, in February, $43,000,000, and in February of this year only $11,000,000, stated in round figures. Taking the whole of Asia last year, in February, we imported $117,000,000, and this year in that month we imported $42,000,000.

We have heard much in these tariff discussions and propaganda about African invasion of our markets. In February, 1920, we imported from Africa $27,000,000, and this year in February we imported $3,000,000.

Now, Mr. President, I have certain tables here brought up to date. These tables show the importations of various specific articles included in the present emergency tariff bill, in one column is given imports during the months of January and February, 1920 and 1921, respectively, and in the next column the imports are given for the eight months ending February 28, 1920 and 1921, respectively. I want to call attention to only one or two of these schedules. These tables were prepared for me by the Actuary of the Treasury, an expert, and are, I am sure, correct.

We have heard a great deal from the Senator from North Dakota [Mr. McCUMBER] about importations of Canadian wheat to this country, and I discover from these tables that the entire importations of wheat into this country during the eight months of this fiscal year ending February 28, 1921, were 41,[illegible] bushels.

Now, let us see, Mr. President, about the exportations during that period. The exportations of wheat from this country during the eight months ending February 28, 1921, were 209,857,400 bushels, and of the 41,000,000 which came in during those eight months of the present fiscal year ending February 28, 1921, there were exported from this country during the two months of January and February of this period 39,813,584 bushels, or there were exported during two months of this year within 2,000,000 bushels of as much wheat as came in from Canada during the first eight months of the present fiscal year. Yet we are legislating here upon the assumption that the American wheat market is being destroyed by the importation of wheat from Canada. Nearly as much was exported in two months as was imported in eight months, and five times as much was exported as was imported during the eight months ending February 28, 1921.

Mr. President, I have already extended this discussion beyond the time I expected to take, and, as much as I am tempted to do it, I will not take up the various items covered in this bill as I intended to do. But I do want to refer to one other feature of it.

There is a fear on the part of some of the peanut growers of my State with reference to importations of peanuts from abroad. They have been told, just as the woolgrowers have been told, that the importations of peanuts from abroad have been enormous; that there are ships loaded with them on the way; and that when they get here they will take charge of our markets. A great many of the people in my State have believed that and have been writing to me about it. I have the statistics here for the months, first, of January and February of last year and of this year, expressed in dollars and also in pounds.

I find that in January and February, 1920, there were imported into this country 25,520,246 pounds of peanuts. There were imported during the same months of 1921, only 3,930,917 pounds, or only about one-sixth as much. Peanuts run from 22 to 25 pounds to the bushel.

During the eight months ending February 28, 1920, there were imported of peanuts 47,000,000 bushels, in round figures, as compared with 12,000,000 bushels in 1921, or just about one-fourth as much. Importations have progressively declined from month to month.

The same outcry is made against the importations of peanut oil.

Mr. SMOOT. Mr. President——

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

Mr. SIMMONS. I do.

Mr. SMOOT. I think the Senator made a rather poor comparison when he drew a comparison between peanuts and wool.

Mr. SIMMONS. I was only comparing them with reference to the amount alleged to be coming in. I was not making the comparison in any other sense.

Mr. SMOOT. I say that the Senator was unfortunate in his comparison, because up to December 259,617,641 pounds of wool arrived in America from abroad. That is according to a report just received from the Department of Commerce.

Mr. SIMMONS. Will the Senator let me have that memorandum?

Mr. SMOOT. Certainly. That was for the year ending December, 1920.

Mr. SIMMONS. I was speaking of 1921. I have later figures than those.

Mr. SMOOT. For 1921 the figures are even worse than those for 1920.

Mr. SIMMONS. The Senator is mistaken.

Mr. SMOOT. I have a statement here showing that I am correct.

Mr. SIMMONS. The Senator can put whatever statement he has in the RECORD, and I will change my statement if it is found incorrect to conform to the facts.

Mr. SMOOT. That is all I care about.

Mr. SIMMONS. I think the Senator is mistaken, but I may be mistaken.

Mr. SMOOT. The Senator is not stating my figures of his own. He is taking his figures from reports furnished by the United States Department of Agriculture and the Department of Commerce.

Mr. SIMMONS. Yes; in the statement I made about wool a little while ago I was not reading. I was stating it from memory. I was reading from the books as to the other matters. The correct figures for the fiscal year 1921 will be found in the tables I have referred to and which I will attach to my remarks in the RECORD.

There is a statement made in the report of the committee on this bill to which I wish to call attention. The report says:

> From the standpoint of the public it is believed the costs of retail will not be materially affected by reasonable duties on farm products. Under our present very faulty distribution system, which is sadly in need of reformation, the prices paid to farmers seem to bear little relation to the final sales price. For instance, we have seen the price of wheat reduced in half during recent months and the cost of bread remains at the same exorbitant price in most, if not all, the cities. Onions and some other products which are now unsalable on the farm excepting at far below cost of production are selling in the stores at about the same price as formerly.

Mr. President, there we have the whole thing. We have the farmer, with no protection, getting only one-half the cost of his onions when he sells them in this market. He is told that is because he has no protection; that if he had protection he could get a bigger price. Here is the dealer and the storekeeper, who buy these onions from the farmer, who sell them in the same market with no other protection than the farmer had, and yet he gets for them twice what the farmer got.

Mr. President, how can it be that the absence of tariff has destroyed the farmer's market for his onions and makes them practically worthless in his hands, but that same lack of tariff does not affect the price which the dealer and the storekeeper can command in the same market for the very same onions they bought from the farmer at below the cost of production? I would like very much to have that matter clarified. Why is it that the tariff, from the Republican standpoint, beats down the price of a product in the hands of the farmer to below cost and yet does not affect the price of that article when it goes out of the hands of the farmer and into the hands of the dealer and the merchant and the speculator? That is what Mr. YOUNG says in this article has happened and is happening, and we know it is happening every day.

APPENDIX A.

	Imports by countries.				Exports by countries.			
	February, 1920.	February, 1921.	8 months ending February, 1920.	8 months ending February, 1921.	February, 1920.	February, 1921.	8 months ending February, 1920.	8 months ending February, 1921.
Belgium	$2,565,[illegible]	$2,665,100	$12,559,418	$30,471,886	$28,145,902	$12,137,993	$217,062,562	$153,219,848
Germany	3,881,[illegible]	4,952,278	18,232,918	63,295,348	18,598,807	39,619,713	117,216,556	281,685,484
France	12,675,4[illegible]	11,578,252	113,803,363	101,386,387	65,520,067	20,432,178	494,563,713	376,850,010
Italy	8,241,[illegible]	2,060,506	66,155,068	36,303,979	26,083,505	28,198,613	262,144,392	228,493,139
Netherlands	11,545,[illegible]	2,912,272	70,113,194	49,499,535	17,153,302	17,880,925	201,624,360	198,000,902
Spain	2,941,[illegible]	1,131,468	33,916,751	25,281,070	8,295,853	8,051,109	69,113,815	104,315,681
United Kingdom: England	45,712,[illegible]	16,560,974	277,553,854	198,522,481	157,036,616	86,042,893	1,414,490,626	933,216,493
Total in Europe	106,653,[illegible]	55,005,226	732,179,927	676,587,289	384,052,168	241,793,255	3,354,639,150	2,682,593,291
Canada	39,645,[illegible]	32,874,301	358,661,736	417,506,187	63,316,091	45,178,874	546,448,357	592,237,016
Total, Central American States	4,770,[illegible]	2,352,677	27,650,640	30,564,354	6,808,834	6,926,691	43,084,398	57,893,932
Cuba	72,746,[illegible]	28,183,409	301,418,638	300,526,380	31,434,027	25,503,646	214,947,725	344,816,937
Total, North America	136,970,4[illegible]	78,798,001	837,269,238	901,582,862	124,917,922	111,383,993	968,633,995	1,273,905,936
Argentina	15,104,[illegible]	5,315,980	177,034,495	101,626,078	11,612,237	16,441,443	104,672,390	166,304,423
Bolivia	951,[illegible]	379,879	3,533,775	5,093,974	222,266	502,585	2,055,458	3,730,804
Brazil	17,324,[illegible]	9,299,131	193,395,116	116,373,119	10,443,023	6,240,074	69,206,018	110,268,303
Chile	12,537,[illegible]	4,902,757	59,240,516	60,820,242	3,708,364	4,551,534	25,755,850	41,857,672
Colombia	4,830,[illegible]	2,464,509	37,517,999	31,122,684	4,664,546	1,844,340	23,959,234	27,541,698
Ecuador	1,434,[illegible]	433,332	7,482,596	6,699,716	737,187	333,884	6,086,939	6,852,555
Uruguay	4,908,[illegible]	1,593,170	34,630,406	10,056,017	2,329,857	2,675,962	16,644,979	23,839,691
Venezuela	2,721,[illegible]	1,017,780	22,244,175	7,764,632	2,431,256	945,523	13,278,978	14,757,367
Total, South America	67,763,2[illegible]	26,509,107	567,414,595	379,024,708	40,440,955	38,804,180	285,399,948	438,582,488
China	20,448,[illegible]	7,255,371	136,315,431	78,213,750	7,124,643	12,768,893	67,880,388	102,779,106
British India	14,736,[illegible]	8,322,433	110,287,555	95,279,488	8,239,591	7,816,774	44,518,517	72,799,626
Japan	43,224,[illegible]	11,711,304	367,033,569	175,882,012	34,884,168	22,028,530	244,914,167	131,349,112
Russia in Asia	2,200,[illegible]	129,092	8,933,526	3,478,387	8,583,796	3,613	27,990,892	498,054
Turkey in Asia	1,349,[illegible]	2,355,028	20,365,849	15,016,120	946,839	1,000,142	4,703,842	6,821,010
Total, Asia	117,012,3[illegible]	42,122,790	877,961,788	636,432,676	68,585,025	58,490,578	455,028,029	410,541,029
Total, Africa	27,622,7[illegible]	3,147,856	115,580,629	40,264,085	9,666,981	12,199,374	61,630,294	110,958,005
Grand total (world)	467,402,3[illegible]	214,525,127	3,235,079,829	2,757,338,312	645,145,225	489,297,067	5,230,213,254	5,126,069,108

APPENDIX B.

Articles.		United States imports.				United States exports.			
		January and February.		Eight months ending Feb. 28.		January and February.		Eight months ending Feb. 28.	
		1920	1921	1920	1921	1920	1921	1920	1921
Wheat	bushels	1,250,920	9,908,568	3,129,425	41,775,965	13,418,194	39,813,584	87,605,400	209,857,400
	dollars	3,411,669	15,062,259	7,440,977	83,048,011	32,608,391	82,214,422	210,973,935	551,392,339
Wheat flour	barrels	56,373	422,767	65,257	1,073,383	2,097,099	2,303,611	12,003,421	10,411,964
	dollars	600,025	3,746,443	689,149	10,698,321	23,407,490	19,978,791	132,467,810	112,936,889
Corn	bushels	565,238	11,482	8,623,106	5,624,583	4,012,296	13,579,964	9,871,755	22,742,917
	dollars	564,316	17,965	8,374,058	6,836,409	6,014,513	12,150,699	15,838,624	24,620,950
Peanuts	pounds	15,520,246	3,959,917	47,272,703	12,813,386	1,506,496	2,503,793	11,263,082	7,488,857
	dollars	2,427,716	207,346	4,156,665	897,856	213,777	180,524	1,360,256	702,352

APPENDIX B—Continued.

Articles.		United States imports.				United States exports.			
		January and February.		Eight months ending Feb. 28.		January and February.		Eight months ending Feb. 28.	
		1920	1921	1920	1921	1920	1921	1920	1921
Fresh meat (beef, veal, mutton, lamb, and pork)	pounds	7,069,794	24,255,954	32,087,798	141,337,815	44,990,938	44,008,352	132,732,938	78,536,426
	dollars	1,207,137	2,764,538	5,276,428	18,004,483	9,796,935	7,843,317	30,194,858	14,945,407
Wool, Classes I and II	pounds	56,599,628	55,653,986	249,097,956	114,547,458	872,906	428,831	3,361,330	4,771,856
	dollars	29,878,311	12,641,402	126,920,514	36,555,954	677,114	126,124	2,568,949	2,010,790
Sugar	pounds	1,340,693,043	850,387,868	4,291,266,365	4,279,159,112	229,013,809	96,513,032	908,698,251	256,359,194
	dollars	129,716,263	44,207,325	297,768,762	541,332,635	18,632,430	7,218,693	73,206,417	24,898,417
Butter	pounds	1,429,948	5,708,843	7,657,221	28,619,329	6,193,556	1,544,401	18,397,011	4,079,757
	dollars	527,605	2,699,591	4,121,885	13,723,360	3,735,069	685,202	10,523,017	2,124,771
Cheese	pounds	1,822,775	2,557,439	11,708,019	10,522,726	2,504,598	2,128,617	9,132,834	5,670,224
	dollars	679,921	888,106	4,039,200	3,723,448	904,890	608,451	3,406,727	1,776,363
Milk (preserved, etc.)	pounds	4,601,412	2,035,081	14,274,818	16,512,302	89,527,727	52,785,989	518,208,564	185,183,577
	dollars	693,249	391,748	2,916,593	3,904,030	13,860,441	7,369,667	76,127,351	30,017,048

United States trade in oils and wrapper tobacco.

Articles.		8 months ending Feb. 28, 1920 and 1921.				February, 1920–1921.			
		Imports.		Exports, domestic.		Imports.		Exports, domestic.	
		1920	1921	1920	1921	1920	1921	1920	1921
Oils:									
Peanut	gallons	13,469,920	2,281,548	[1] 4,892,001	[2] 1,140,130	1,210,196	22,698	[3] 172,178	[4] 27,219
	dollars	15,493,826	2,204,025	1,188,312	183,682	1,699,668	19,312	45,146	3,849
Cottonseed	pounds	17,615,472	1,032,590	94,975,703	192,771,960	493,170	271,697	20,318,254	39,689,396
	dollars	2,353,224	121,573	21,331,750	24,044,617	73,599	32,110	4,515,952	4,276,772
Coconut	pounds	196,707,181	127,985,418	130,932,312	4,171,842	30,895,775	27,366,981	4,317,729	462,403
	dollars	26,564,865	16,647,306	27,130,770	656,991	4,805,013	2,986,118	859,385	48,583
Soya bean	pounds	138,595,739	33,563,896	35,569,047	4,760,593	14,102,500	1,000,000	5,767,610	62,412
	dollars	17,711,065	3,372,208	7,828,628	739,409	1,714,685	40,061	1,275,017	5,825
Olive, edible	gallons	5,220,529	2,368,618						
	dollars	11,153,385	7,662,200						
Olive, fit only for manufacturing, etc.	gallons	167,812	20,302						
	dollars	257,433	39,464						

[1] 4,892,001 pounds equal 652,267 gallons.
[2] 1,140,130 pounds equal 152,017 gallons.
[3] 172,178 pounds equal 22,957 gallons.
[4] 27,219 pounds equal 3,629 gallons.

Mr. FLETCHER. Mr. President, when this measure, so far as its tariff features are concerned, was before the Senate, toward the close of the last Congress, I had occasion to express my views regarding it. Nothing has occurred to cause me to modify or change them. It would be unnecessary to repeat them now.

The fact is, on account of the situation in reference to the rates of exchange, the disorganized markets, demoralized credits, and the advantages possessed by the United States over other countries at this time, there is no need for tariff legislation. Conditions are rapidly changing, readjustment is taking place, a stricken world is gradually recovering, and in the unstable, unsettled conditions prevailing everywhere no permanent tariff laws should be enacted at this time.

The outstanding fallacy in connection with the pending bill is the claim that its enactment would benefit those engaged in agricultural pursuits in the United States.

If the bill was confined entirely to agricultural products, there would be at least an appearance of good faith in such claim, but since it embraces manufactured goods, for which the farmers and other consumers must pay prices increased far beyond the duties, if the measure accomplishes what its proponents claim, it is made clear, beyond question, that it is not even intended to be of real benefit to the farmers of the country. If it becomes a law, the producers of agricultural products will be sorely disappointed, in so far as they may expect it to operate to their advantage.

Since it is to remain in effect only six months, it may not work any serious harm. It will, however, accomplish no good result and its pretensions will be exposed by experience.

I have always felt very great sympathy for every effort put forth that might make for a sound and healthy agriculture. Whatever would encourage and stimulate those who produce the Nation's food, it has been my hope and purpose to favor and advocate.

The fundamental industry of the country is agriculture. If that languishes and suffers depression, all the people must feel the painful effects. No country can enjoy permanent prosperity if farms are abandoned, if agriculture is made unprofitable, and the conditions of rural life are hard and uninviting.

In the United States there are 6,449,242 farms. Of these, 3,924,851 are operated by owners, 68,512 by managers, and 2,455,879 by tenants. Nearly one-third of our population are interested, directly or indirectly, in agriculture. This is a sufficient statement to indicate the importance of that industry, but it is not all that might be said. Every man, woman, and child in the country who has to have food and wear clothes is concerned. What we sometimes hear mentioned as the "farmer's problem" is equally the problem of every citizen. Whether we are farmers, or merely consumers, we must all move forward or backward, suffer or prosper, along with those engaged directly in agricultural pursuits.

It becomes, therefore, appropriate when we are considering any measure that is put forward as having a bearing on any of those problems to refer to and urge any real, substantial, helpful proposal which might be advanced as a solution of any of the problems and offer any relief against any of the difficulties which confront those engaged in agriculture.

SOMETHING WORTH WHILE—REAL FINANCIAL HELP.

The Federal farm loan act constitutes the firm foundation for agricultural growth and development. It provides the only financial system ever devised in this country to meet the financial need of the farmer. Under that law some $426,000,000 have been been found for those actually engaged in farming, for the wholesome purposes set forth in the act, at an interest rate of 5½ per cent, with amortization and other privileges of incalculable benefit to those who have long been burdened with excessive interest rates and charges, and in many instances unable to obtain any financial accommodation. No industry in existence could have survived these burdens and difficulties and deprivations which agriculture has been obliged to endure through all the years to July, 1916.

The amount mentioned has been made available to the farmers of the country since then, notwithstanding the case of Smith against Kansas City Title & Trust Co., recently decided by the United States Supreme Court, which was pending for some 18 months, during which time the Farm Loan Board practically ceased to function. The effect of the suit paralyzed the operation of the system. Happily the validity of the act

was fully sustained by the Supreme Court, and operations have been resumed.

Under that act the money which is loaned to farmers for the purposes set forth in the law is obtained by the sale of farm-loan bonds to the public. The law provides that the borrower can be required to pay to the Federal land bank only the same rate of interest which the bonds bear, the proceeds of which are loaned to borrowers, plus the cost of administration, which shall not exceed 1 per cent. This cost has not heretofore exceeded one-half of 1 per cent. As the business increases and the transactions multiply this cost will be still further reduced. The bonds are offered at 5 per cent, so that the borrower can not be called on to pay more than 5 per cent plus the cost of administration, which has heretofore not exceeded one-half of 1 per cent.

It is plain, therefore, that the lower rate of interest which the bonds bear the lower rate the borrower will pay. It was for this reason these bonds were made exempt from all taxation—municipal, State, and Federal. A bond exempt from all taxation can be sold more readily and at a lower rate of interest than one that is not. Whatever will increase the demand for these bonds enhances their use and promotes their sale, will be advantageous to the system, to the borrowers, and therefore to the real farmers of the country.

With this in view I have proposed a bill, and I sincerely hope the committee will report it favorably and that it will be enacted into law, to amend second and third paragraphs of section 27, farm loan act, to read as follows:

That any bank of the Federal reserve system may buy or sell farm-loan bonds; any member bank of said system may accept time drafts against a deposit of such bonds as security; acceptances of a member bank thus made, or the direct obligation of such bank, maturing within 60 days, when accompanied by farm-loan bonds as collateral security not less in face value than the amount of such acceptance or obligation, shall be eligible for discount by any Federal reserve bank.

I submitted this bill to Mr. W. W. Flannagan, who is thoroughly familiar with the farm loan act, the Federal reserve act, and our financial systems generally. He has been a banker, a student of finance, and has been connected with the movement and the hearings and the actual framing of the farm loan act, and knows it thoroughly. He is in full accord with the originators of the whole scheme and most desirous of serving the agricultural interests. He was secretary of the Farm Loan Board until their activities were stopped by the suit referred to, and I have great confidence in his judgment on any financial question. I adopt his views in every detail with regard to the merits of this bill, and I desire to insert here as a part of my remarks his letter to me on the subject.

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

The letter is as follows:

NATIONAL UNION OF FARM LOAN ASSOCIATIONS.
Washington, D. C., April 15, 1921.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SENATOR FLETCHER: I have examined with a great deal of interest the provisions of your bill (S. 4994, 66th Cong.; S. 620, 67th Cong.) and highly commend its purposes and the effective method thereby provided to secure capital for the farmer at a low rate of interest, while preventing the farm loan system from becoming an annual charge against the revenues of the Government, in the form of forced purchases of farm loan bonds.

Your prominent connection with the rural credit movement from its very inception as chairman of both of the commissions which were sent abroad to gain information and make a study of the subject, as author of the first rural credit bill introduced into Congress, as member of the Senate Banking and Currency Committee of the Sixty-third Congress, which secured a great amount of valuable testimony on the subject through the hearings it held, as member of the sub-committee of the Sixty-fourth Congress, which considered and reported the bill that afterwards became the farm loan act, as member of the conference committee which gave final effect to this work, and your consistent advocacy of every public measure which has had for its purposes the advancement of the welfare of the American farmer entitles any measure proposed by you on this subject to the most favorable consideration from the American people.

I concede that the business of agriculture is fundamental and that its prosperity is a necessity for the continuation and advancement of our civilization, and that it is the duty of the Government to provide, if necessary, the means, at the expense of all of the people, whereby this prosperity is assured to those who are worthy and willing to engage in this fundamental industry, but I think it would be a mistake to make any system of finance dependent for success upon annual appropriations from the Treasury, even if such appropriation results in an undoubtedly sound investment yielding in normal times a profit on such investment.

In other words, while it is sound from an economic viewpoint in a democratic government to tax all the people in order to be certain that those engaged in the production of the necessaries of life find it sufficiently attractive to continue that pursuit so that the adherents of agriculture remain contented and happy, and its development keep pace along other lines of human endeavor, it is not necessary to adopt this procedure, if other means can be found, justified by our experience, wholly in keeping with our system of finance, whereby the farm-loan system may be made independent of receiving recurrent Government aid, dependent upon the changing views of each succeeding Congress. To make it so dependent is to leave the system incomplete in itself as a system of finance, and invites continual criticism, if it does not spell failure.

I think you have found "the other means" in your bill, the merits of which I purpose to discuss in this letter as I see them.

The ultimate success of the farm loan act in serving its avowed purpose "to provide capital for agricultural development" must, of course, depend upon the ability to sell readily farm-loan bonds bearing a low rate of interest at not less than par. The restrictions thrown around the issuance of these bonds under the provisions of this act leave no doubt as to the security they offer as far as human foresight can make them secure, and it is not necessary to discuss here the nature and value of such security.

The experience of the world in the collection of debts from the time debts were first known and interest charged for their deferred payment, demonstrates beyond question that productive real estate is the surest and safest of all security, never failing except with the government which defends the title thereto, and not always then.

The very meaning of the word "real" indicates the permanence and safety of the security which real estate affords.

Now, in order that these bonds shall sell readily, there must be a constant and continued demand. Demand comes from human desire, a state of mind, a wish to be benefited. The usual benefit offered for the loan of capital is profit in the form of interest, and though it is a recognized economic fact that the higher the interest rate the lower the security, periods in financial history occur—especially following the great destruction of capital which every war causes—that irrespective of security, capital, because of its scarcity, demands and commands higher rates of interest than often the business of the borrower can afford to pay. Especially is this the case when Governments become borrowers in large amounts to meet the devastation of wars.

We have just this condition which confronts us to-day in the case of farm-loan bonds. The markets are flooded with offerings of high-class securities issued by governments, railroads, industrial and mercantile establishments, every form of human endeavor, all seeking the use of capital at higher rates of interest than the business of farming will justify, more than the farmers can pay and properly live. Yet he must live and prosper, yea, more than that, he must be satisfied and contented, or American civilization dies in a supreme reign of chaos.

In finding a market for farm-loan bonds we can not compete on the basis of profit derived from the rate of interest offered, and the demand must therefore come from some other right, benefit, or advantage which they offer. The genius of Salmon P. Chase solved a similar problem for the Government, when during and at the close of the Civil War the necessity of floating large volumes of United States bonds arose, in order to fund the indebtedness caused by the war, at a lower rate of interest. United States bonds were selling far below par; there was no demand to justify a large issue; greenbacks were at a heavy discount and gold was selling at a premium. Chase saw some other inducement than high interest was necessary, that he could not compete on this basis, so he gave to United States bonds the circulating privilege. He allowed national banks to deposit with the Comptroller of the Currency United States bonds and the privilege of the issuance of circulating notes against such deposit. He utilized the bank function of note circulation to supply the pressing necessities of the Government, and later, by taxing State-bank notes out of existence, gave us a uniform currency, circulating at par throughout the whole country, which continues to this day. The result of this advantage or benefit was that United States bonds bearing 2 per cent interest have commanded a premium on the market, while similar bonds bearing a much higher rate of interest sold for less than par. This shows conclusively that advantages or benefits may be given under the law which will create a demand for

bonds, irrespective of the rate of interest they bear; or, in other words, the security of the principal being assured, the rate of interest the bonds bear is not always the governing factor in creating a demand and establishing the market price.

The Federal reserve law has now changed this collateral benefit held by national banks and practically given a monopoly of the circulating privilege to the Federal reserve banks. Under the operation of this law, the bank function of discount is interwoven with the bank function of circulation or note issue, so that no circulating notes can be obtained as a medium of exchange unless preceded by a discount of commercial paper at a Federal reserve bank.

Such discounts create reserves for the other member banks, so that in order that circulating notes may be had for the purposes of trade the banks must draw against their reserve balances with the Federal reserve banks. They can not count the circulating notes thus drawn as a part of their lawful reserve, nor can they restore their reserve by a redeposit of these notes, so that in order to obtain circulating notes to meet their customers' requirements for this medium of exchange the banks must convert "reserve funds" in the form of bank balances or credit with the reserve bank into "nonreserve funds" and replenish the same by another discount. These balances are created by discounts, as stated; they are called rediscounts, and must consist of paper previously discounted by a member bank of a particular nature—that is, such paper must represent a debt incurred by the sale and transfer of a commodity, or, in other words "commercial paper." The Federal reserve act is based on the theory that there never can be any excess of commercial paper, and is intended to afford the means whereby such paper can always be readily converted into cash, thus encouraging and facilitating business.

But observe that the business thus intended to be facilitated is the business of trading—the buying and selling of commodities on time, the extension of credit for short periods. It is the merchant who is intended to be and who is benefited. He is the man who is afforded the credit facilities whereby he can extend to his customer time for deferred payment.

Now, the farmer is not a trader nor a merchant. He does not buy and sell his products for profit. Through utilizing the forces of nature he creates the products which the merchant buys and sells for his own profit. The farmer must sell when his product is ready for market, and he sells such product usually once a year.

What your bill does is to give the farmer some of the indirect benefits of the Federal reserve act. It affords a point of contact between the Federal reserve act and the farm loan act whereby the benefits of the former, now held exclusively by the trader, may be shared by the producer. And in extending this benefit to the producer it does not lessen but increases the benefit to the trader. The benefit to both is increased through the medium of the commercial banks, which in turn are also benefited through the additional facilities they are thus enabled to extend to all classes of business interests.

This benefit comes to the farmer through the farm loan act by creating a constant and broad market for farm loan bonds. It comes from creating a demand for such bonds from the banking and commercial interests of the country. Every national bank and indeed every member bank of the Federal reserve system will want to hold constantly some of these bonds as a secondary reserve, an asset that is always convertible into cash under your bill, irrespective of the maturity, and always bearing a reasonable rate of interest until so converted. It is not an idle or noninterest bearing reserve, as is the case with money in the vault or balances with the Federal reserve banks. Every country banker will readily appreciate the advantage of having such an asset. He may not have the opportunity in his locality to keep on hand at all times "commercial paper" to meet the requirements of the Federal reserve bank when he needs a rediscount. His "average balance," which the city bank requires him to keep in order to entitle him to a discount, may not have been "satisfactory" to the city bank. Indeed, having farm-loan bonds among his assets removes the necessity of "keeping balances" for the purpose of obtaining discounts, and they pay him a better rate of interest than he can get on such balances. He will need such balances only for the purpose of supplying "exchange." He will have a feeling of comfort and independence which he can not have when dependent upon the convenience or necessities of his city bank correspondent or perhaps the will or the whim of some officer thereof. The rate of interest he will have to pay on his rediscounts with farm loan bonds as collateral is public knowledge, fixed beforehand, and not dependent upon market fluctuations in interest rates caused by stock-exchange dealings or otherwise.

The city bank or banker, the big insurance and trust companies, indeed all dealers in securities or traders in debts (and banking is but another name for trading in debts), will find it most convenient to have always available a security which, under any and all circumstances, may readily be converted into cash.

Nor will this demand come alone from the banking fraternity, whose business is the buying and selling of debts, but from large and small investors as well. As soon as it is understood that farm-loan bonds will always command a banker's acceptance, and that these acceptances under the Federal reserve act entitle the holder to the lowest rate of discount at the Federal reserve banks, such bonds will be sought for by savings banks and by big industrial and mercantile establishments whose business requirements are such that only at certain seasons of the year must they have ready cash. They will not find it necessary to keep large bank balances idle or bearing a nominal rate of interest, for farm-loan bonds will then be a most desirable substitute for such balances, yielding a greater profit.

A small investor will also find these bonds a profitable substitute for time deposits, being in convenient denominations and yielding a better rate of interest, yet always available to produce cash.

The privilege or benefit your bill asks for farm-loan bonds is now enjoyed by United States bonds and is no new experiment in finance.

OBJECTIONS CONSIDERED.

You are sure to have used as arguments against your bill, if not urged as fatal objections which should defeat it, (1) that it amends the Federal reserve act, and (2) the claim that it is not in keeping with the principles of that act, which is based upon having quick assets held by the Federal reserve banks in the form of "self-liquidating" commercial paper of short maturity.

These objections, when analyzed, have no real force, as I shall endeavor to show. It is true that your bill amends the Federal reserve act, and it should be so amended.

The Federal reserve act was made for the banker in order to enable him to extend short credits to the merchant or trader in commodities. It does not provide directly for the farmer, because it deals in liquid capital, while the farmer must have credits of long duration. But it does not follow that the trader should have a monopoly of the benefits of the use of liquid capital. If the farmer can put his capital, which is his land, in a form whereby it becomes liquid—as between the traders—i. e., capable of being transferred rapidly, then he becomes the indirect beneficiary of such trading.

An illumination of this thought is shown in the case of a banker who issues a circulating note for value. The note passes from hand to hand effecting transfers of property indefinitely, but the banker who originally issued it is the beneficiary, and continues so, as long as the circulating note remains outstanding.

To make a constant and steady market for farm-loan bonds as your bill will do is to make the farmer's capital liquid, and thus enable him to share indirectly the benefit of the Federal reserve act, now enjoyed by the merchant.

SELF-LIQUIDATING PAPER.

The theory on which the Federal reserve act is constructed, with reference to the issuance of circulating notes, is that the security for such notes must be commercial paper, because such paper is "self-liquidating," meaning by such expression that it is paid at maturity from the proceeds of the commodity which changed ownership when the paper was given.

If this were true in practice, the theory would be all right, but every banker knows it is not true, either in theory under the definition given for commercial paper by the Federal Reserve Board nor in practice, by his own experience.

Under our practice there is no such thing as "self-liquidating" paper. No banker attempts to follow the proceeds from the sale of a commodity which has been purchased with so-called commercial paper, unless the commodity so purchased is specifically pledged, as in the case of a bill of lading or a warehouse receipt attached, and then it is not treated as commercial paper, but as collateral secured paper.

Again, where transfer and delivery of a commodity is made upon the execution and delivery of a promissory note in settlement, no retention of title to such commodity is made by the seller and no legal obligation exists on the part of the buyer to use the proceeds of the commodity in payment of the note, except in cases of commodities or property sold on the installment plan; and in such cases no one would have the temerity to offer such paper for rediscount at a reserve bank.

I sell you a horse or a bale of cotton or an automobile for $500, and you give me your note at three months. I take the

note to my bank and discount it, and my bank rediscounts it with the Federal reserve bank. In 30 days you have an offer from another Senator to give you his note for $600 at three months for the same horse, which you accept in settlement, and discount the note with your bank, which in turn rediscounts it. This Senator, feeling he would rather have an automobile, and having an offer from another buyer, after 30 days' use, to give him a note for $500 payable in three months for the horse, concludes to sell, and discounts the buyer's note at his bank, which also rediscounts.

Now, the Federal reserve bank has $1,600 in commercial paper, three notes due at intervals of 30 days, and there is one horse worth $500 with which the self-liquidating process is to be effected. A "reductio ad absurdum." The truth is that this "self-liquidating" idea is a "catchpenny" phrase and does not exist in our banking methods. The nearest approach to it is in the case of international bankers who require payment under commercial credits which they issue against the delivery of "documents" which represent the title to imported goods; but even in these cases "trust receipts" are substituted for payment more frequently than otherwise.

Self-liquidation or payment at maturity of commercial paper as the basis for rediscounts and note circulation is a myth, and the recent experience of the Federal reserve banks and member banks proves this assertion to be true.

If the rediscounted "commercial" paper was self-liquidating there would have been no call for deflation of credit by the Federal Reserve Board, as the discount line of the member banks would have been automatically reduced, making place for new rediscounts by the Federal reserve banks without any increase in the aggregate amount of such discounts.

It is because of the fact that the so-called commercial paper held by the Federal reserve banks is indirectly renewed and continued in force by the member banks, and is not self-liquidating, that the demand comes for deflation or reduction of the ever-increasing amount of "bank credit" represented by "bills and notes discounted" on one side of the bank's ledger as assets, and on the other side by "deposit or rediscounts" as liabilities.

It is apparent therefore that the liquidity of assets demanded for the reserve banks comes only from the short maturities of their discounted paper, the opportunity thus being afforded to require payment at short intervals, and not from so-called self-liquidation. Your bill provides for paper of short maturity. It is provided that the paper which the Federal reserve banks may rediscount with farm-loan bonds as collateral security shall be the obligation of a member bank, and that the maturity shall not exceed 60 days.

It should be noted that farm-loan bonds can not come into existence until they have behind them actual productive property, double in value the face amount of such bonds, and there is in consequence a limit to the amount which may be issued, while there is no limit to the amount of so-called commercial paper that may be issued; nor is there any means of preventing an unlimited amount of such paper from being issued with each transfer of the same identical property, thus duplicating paper as the representative of the full value of such property, with each transfer and issuance.

Now, which class of paper is likely to be most liquid in the hands of the reserve banks? That made by a member bank with farm-loan bonds as collateral security attached, or that made by a customer of the member bank with the bank's indorsement with no collateral attached? In both cases the member bank is the one to bear the burden in times of deflation, or when the reserve bank feels it necessary or desirable to reduce the amount of its circulating notes. In one case the member bank is limited to the maker and indorsers as the only source from which to collect. In the other case the member bank has the whole commercial world from which to collect, by a sale of the collateral; and it must be remembered that the privilege of rediscount which is asked will cause such a constant and general demand for these bonds that they will find a ready market at par, or at a premium, whenever offered.

Yours, very truly,

W. W. FLANNAGAN.

Mr. FLETCHER. To say, as we have said before, that it is safe and advisable to authorize Federal reserve banks to rediscount paper of six months' maturity arising out of foreign-trade transactions, and contend that it is unsafe and inadvisable to authorize the rediscount of 60-day paper secured by farm-loan bonds attached as collateral, is ridiculous. The farmers' assets can be, in this way, safely and effectually made just as liquid as any strictly commercial paper. Here is the place to do something of real and permanent benefit to the farmers of the country.

I understand there will be opposition to the proposal, but I can see no justification for it.

It must be remembered the Supreme Court of the United States has held:

(a) That the Federal land banks were legally created as a part of the banking system of the United States; and

(b) That the bonds issued by the banks are instrumentalities of the United States Government and are exempt from Federal, State, municipal, and local taxation.

THE CHARACTER OF THIS SECURITY.

The 12 Federal land banks were organized by the Government with an original capital stock of $9,000,000, which has since increased through the operation of the system to over $24,000,000. The Government owns over $6,700,000 of this capital stock of these banks, the remainder of the stock being owned by the national farm loan associations, organized and provided for in the law. The United States Treasury has purchased over $183,000,000 of these Federal land-bank bonds. The banks are under the direction and control of the Federal Farm Loan Board, a bureau of the Treasury Department of the United States Government. These bonds are made lawful investments for all fiduciary and trust funds under the jurisdiction of the United States Government. They are eligible, under the laws of many of the States, for investment of all public and private funds, and in 37 States are eligible by law for investment by savings banks. They are acceptable by the United States Treasury as security for Government deposits, including postal-savings funds. They are obligations of the Federal land banks, all 12 of which are primarily liable for interest and ultimately liable for the principal on each bond. They are secured by collateral consisting of an equal amount of United States Government bonds, or mortgages on farm lands, which must be—

(a) First mortgages to an amount not exceeding 50 per cent of the value of the land and 20 per cent of the value of the permanent improvements as appraised by United States appraisers.

(b) Limited to $10,000 on any one mortgage.

(c) Guaranteed by the local national farm loan association, of which the borrower is a member and stockholder; this stock carrying a double liability.

(d) Reduced each year by payment of part of the mortgage debt.

It would be difficult to devise or create a better or safer security.

Why, then, should negotiable paper with these bonds as collateral not be eligible for rediscount by any Federal reserve bank? It seems to me there can be no argument to the contrary.

If it is made eligible for rediscount by Federal reserve banks new markets will be opened up for them, new demands will be created, there will be no difficulty about selling them, and that means there will be no difficulty about finding the money which the farmers of the country may need for their operations under this law.

OPPOSITION.

Strange as it may seem, there are people who would like to cripple this system. That is evidenced by this suit which was brought for that purpose. In fact, if the plaintiffs in that suit had won, they would have destroyed the system, and it is doubtful if Congress could have devised one that could take its place. In other words, there would have been no way to revive, reinforce, or patch up the farm loan act by legislation. Fortunately, they did not win, but their purpose is manifest, and if they can in any way interfere with the operation of the system they will do so. Not only that, but there are other people who would like to keep up the rates of interest for their own benefit, realizing that one effect of this system has been to cause a lower rate of interest, not only to farmers but all other borrowers, and they may be expected to exert themselves in attacks upon the farm loan act.

The Farm Mortgage Brokers' Association are moving in that direction. Not a little propaganda has been put forth in the nature of attacks upon the system, and especially the joint-stock land banks and the exemption features carried in the law.

There have been some 25 amendments offered to the farm loan act. I have no fear that anyone will propose a repeal of the act. That would not only be hopeless but almost criminal. There are other ways of accomplishing such a purpose as these enemies of the act have in mind. One of the ways will be through the process of amendments. A slight amendment here and one yonder and one somewhere else, apparently innocent, each in itself, might be offered and might be passed by Congress before it was fully realized what it all meant.

I refer to this by way of insisting that it is important that the friends of the farm loan act shall stand on guard to protect and preserve it.

The farm loan act has proven itself. It has been found in principle sound and in operation practical.

It is dangerous to tinker with its structure. Some amendments heretofore proposed have been wild, some merely unsound, and some positively vicious. It must be guarded in its integrity as a cooperative, workable, agricultural, financial, and banking scheme.

Its administration should be characterized by broad vision, clear understanding, good judgment, considerations of the common good, and a genuine abiding interest in agriculture. Bureaucratic methods should be studiously shunned.

It is necessary that its friends shall be diligent, watchful, and shall carefully scrutinize and cautiously examine every proposal to amend the act.

COOPERATION.

In view of this situation, I felt disposed to favor any cooperative effort on the part of the farmers of the country to establish some agency that would serve them in this direction. I believe in cooperation. I think many of the problems which face the farmers could be solved through cooperation.

One of their chief obstacles is a lack of some economic system of distribution. By developing a system of cooperation and organizing it seems to me they could devise a plan for orderly marketing of infinite benefit both to producers and consumers. Cooperation in the purchase of their supplies, their fertilizers, and all the things they have to buy, and cooperation in marketing their products is most desirable, if, indeed, it is not essential to their prosperity. I will not dwell upon that thought, but it leads to this: One of the compelling ideas in the minds of those who framed the farm loan act was that the local national farm loan associations should be a real, fundamental feature and factor in the system. It was thought these farm loan associations would develop this spirit of cooperation and that they would be most useful in every community in bringing together the people of each community, having them familiarize themselves with the business carried on by the association, become better acquainted, and form the nucleus of varied cooperative efforts. It was believed—and I still believe—that out of these farm loan associations would come for each community, through this sympathetic touch and common interest, better roads, better schoolhouses, better churches, telephones, postal facilities, and all the things which would make more attractive rural life.

People cooperate to obtain higher wages from employers. Commission men and retailers manage to keep up and obtain higher retail prices from consumers. Why can not farmers cooperate to obtain fair values for their products and otherwise promote their interests?

It is not difficult to point out unsatisfactory conditions. We can even specify the causes in many instances, but it is quite a different matter to present and put into operation a remedy.

For instance, we know the producer is receiving less than he should receive and the consumer is paying more than he should pay for farm products. We know the cost of transportation is too high. We know the method or lack of system in distribution is wasteful and too costly. Too many tolls by too many people pile up costs to the consumer, which go neither to the producers or to the carriers.

This is not the time to discuss those questions and we pass from them conceding the wisdom of Portia's observation:

If to do were as easy as to know what 'twere well to do, all the chapels would be churches and all the poor men's cottages princes' palaces.

It will be remembered that the temporary organization of these Federal land banks was effected by the Farm Loan Board and the farm loan associations in that preliminary step had no voice in the selection of the directors of such banks. But thereafter the associations were to elect six of the directors (section 4).

It is with keen regret that there is noted a disposition to ignore and set aside these farm loan associations by the Farm Loan Board.

The temporary organization of the Federal land banks was, as proposed by that board, continued "so long as any farm loan bonds purchased from it under the provisions of this amendment shall be held by the Treasurer and until the subscriptions to stock in such bank by national farm loan associations shall equal the amount of stock held in such bank by the Government of the United States."

Congress authorized the purchase by the Secretary of the Treasury of farm loan bonds under the amendment of January 18, 1918, and the provision I have quoted was inserted in that amendment. At present, therefore, the national farm loan associations are not permitted to vote for the local directors in these land banks as originally provided in the act.

The Farm Loan Board seems to regard the national farm loan associations as a sort of fifth wheel and more or less of an incumbrance.

This spirit is manifested by the attitude of the Farm Loan Board toward the efforts of these farm loan associations to get together for the purpose of creating a central agency of their own choosing and under their direction to represent them in all matters affecting their rights and interests, which include the rights and interest of their members, who are borrowers, under the system, and watching and guarding the farm loan act against the insidious attacks, which, as I have indicated, they have reason to believe may be attempted.

These national farm loan associations conceived the idea of forming what they call a "National union of farm loan associations," with headquarters here in Washington, and their purposes and objects are stated in the printed circular which they have issued. I ask that the circular be printed in the RECORD without reading.

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

The circular referred to is as follows:

NATIONAL UNION OF FARM LOAN ASSOCIATIONS,
Washington, D. C., April 25, 1921.

To all NATIONAL FARM LOAN ASSOCIATIONS:

This is to report to you the results of the meeting held in Washington, D. C., April 20 and 21, 1921, to effect a permanent organization of the National Union of Farm Loan Associations.

Two hundred and forty-two national farm loan associations were represented at the meeting either by delegate, by proxy, or by written authority.

A constitution and by-laws were adopted, a full set of officers and an executive committee were elected, and the selection of an advisory council was provided for, the constitution providing that the members of the Farm Loan Board shall be ex officio members of the advisory council.

A public meeting was held, which was attended by more than 500 farmers, which meeting was addressed by Senator ARTHUR CAPPER, of Kansas; Senator DUNCAN U. FLETCHER, of Florida; Master John A. McSparran, of the Pennsylvania State Grange; and Madame Agresti, former secretary to the late David Lubin, American delegate to the International Institute of Agriculture at Rome, Italy; and others. Letters and telegrams of indorsement were read from Hon. W. G. McAdoo and Hon. Gifford Pinchot and from former United States Senator Henry F. Hollis, whose well-known connection with the Federal farm loan act is familiar to you.

Following this public meeting, the National Farmers' Union and the National Board of Farm Organizations passed, unanimously, resolutions indorsing the National Union of Farm Loan Associations and requesting the Federal Farm Loan Board to withdraw its opposition to the formation of this organization.

The National Union of Farm Loan Associations, by resolutions unanimously adopted at its business meeting on April 21, is committed to the following program and purposes:

1. To support the Walsh bill (S. 273), which (a) authorizes national farm loan associations to form a national organization and to support the same by appropriation from their general funds, and which bill also (b) restores to the national farm loan associations the right to elect permanent directors of the Federal land banks, as originally provided for in the farm loan act.

2. To support the Fletcher bill (S. 620), which gives the right of rediscount with the Federal reserve banks of notes which have farm loan bonds pledged as collateral security, the effect of which will be to create a broad and steady market for farm loan bonds among all the commercial banks of the country.

3. To work for the passage of bills making farm loan bonds eligible as investment for the funds of the postal savings banks and war-risk insurance reserve, thus providing an additional market for many hundreds of millions of farm loan bonds.

4. To work for the passage of a bill to increase from $10,000 to $25,000 the maximum loan which a Federal land bank may make.

Now that the purpose of this organization is clearly defined, and you are fully apprised of the character and the nature of the work it is proposed to do, will you join with us in this sincere and carefully considered plan for preserving the fundamental principles of the farm loan system, and for improving and perfecting its operations so that its benefits may be available to every American farmer who has need of them?

If you desire further and more detailed information as to what occurred at the several meetings, you may secure the same by ordering a transcript of the stenographic report of the proceedings, in whole or any part, from the Law Reporting Co., of 17 East Thirty-sixth Street, New York City, the said company having reported these proceedings at its own expense.

Feeling sure that you are in full accord with the purposes of this organization, and that you recognize the necessity for immediate and concerted action, we are,

Very respectfully, yours,

EXECUTIVE COMMITTEE OF THE NATIONAL UNION OF FARM LOAN ASSOCIATIONS,

By M. ELWOOD GATES, *President.*

N. B.: The constitution provides that the executive committee shall be composed of two members from each district, but in order to give new membership opportunity for representation only one member from each district was selected at the meeting last week.

Mr. FLETCHER. Strange to say, the Farm Loan Board, immediately after steps were taken to form this union, notified the officers of these farm loan associations that "no business will be permitted to be done by the Federal land bank of your district with the national farm loan associations which join this union."

It was claimed by the Farm Loan Board that the directors of a national farm loan association had no right to appropriate $10 as its membership fee, or toward such a union, and they cited a decision of the Attorney General to that effect. It was then proposed to assess the members of the farm loan association which desired to become a member of this union for the purposes stated a small amount each—25 cents in one case—but the Farm Loan Board objected to that, and they apparently hold that the members of any association can not contribute individually as much as $10 a year in the aggregate toward an association or union which they feel is important as an agency to look after their interests and serve them in every way which they may lawfully ask and feel they require.

The Farm Loan Board advises each of these associations to the effect that it will refuse to recognize them; that the bank of the district in which they exist, respectively, is to have no transactions with them, and they threaten to direct that new associations be formed to take their places, and in effect, they propose to take away the charters of these associations so far as future business is concerned and thus officially destroy them. It seems to me that is a most remarkable position to take.

A typical case is presented in the affidavit and papers which I have here from Oregon. Without referring to numerous letters and communications from other portions of the country, I ask to have the affidavit and attached papers inserted as a part of my remarks, as illustrating what has been going on in connection with this matter which seriously affects some 4,000 national farm loan associations regularly organized and actively performing their work under the law.

The PRESIDENT pro tempore. It is so ordered, without objection.

The affidavit and attached papers are as follows:

AFFIDAVIT.

STATE OF OREGON, *county of Jackson:*

I, E. H. Hurd, residing at Medford, Jackson County, Oreg., of lawful age, being duly sworn, depose and say that I am now and have been ever since the organization of the Rogue River National Farm Loan Association, April 15, 1918, charter No. 346, dated July 2, 1918, secretary-treasurer of said farm loan association.

That at the regular adjourned meeting from January 11, 1921, held at the Odd Fellows' Hall, Rogue River, Oreg., Saturday, February 5, 1921, the attached resolution, marked "Exhibit A," and made a part hereof, was adopted by a unanimous vote of said stockholders, a quorum being present and voting.

That a certified copy of said resolution, duly signed by the president of said association and the undersigned secretary-treasurer, was sent to W. H. Joyce, member and acting secretary of Farm Loan Board, Washington, D. C., February 14, 1921; also a letter of the same date, a copy of which letter is hereby attached, marked "Exhibit B," and made a part hereof.

That we received acknowledgment of said letter and inclosures therein. That no objection at that time was made to this resolution or to the $10 membership fee to the National Union of Farm Loan Associations or to the $5 fee to the Oregon State Association of Farm Loan Associations, as shown by the report of G. A. Z. Hayes, national farm loan association examiner, on the audit of books of above association, dated January 9, 1921, and the said resolution fully ratified the acts of the board of directors in the payment of above fees.

That the annual report of said association, together with said audit report, was approved. The resolution in regard to the initial charges for new members, the secretary-treasurer's salary, and fees for the annual and quarterly report were approved and a voucher issued for the payment of $5 for said annual report to the undersigned secretary-treasurer.

That not until after the reappointment of W. H. Joyce by President-elect Harding as a member of the Farm Loan Board was sent to the United States Senate and the informal call issued for a meeting of the proposed National Union of Farm Loan Associations at Washington, D. C., April 20, 1921, was anything further said or done about the said $10 fee.

That at said annual meeting of stockholders of Rogue River National Farm Loan Association February 5, 1921, herein referred to, the attached resolution, marked "Exhibit C" and made a part hereof, were duly adopted by the stockholders of said Rogue River Association.

That in accordance with said resolution the undersigned secretary-treasurer of said association forwarded a copy of same to Senators C. L. MCNARY and G. E. Chamberlain, also to Congressmen W. C. HAWLEY, "PAT" MCARTHUR, and N. J. SINNOTT, Washington, D. C., also an additional copy to Senator MCNARY, with a request that the same be presented to President-elect Harding on or about February 28, 1921. Senator MCNARY acknowledged receipt of said resolution marked "Exhibit C" herein, in which letter he states he would be glad to present the resolution inclosed to President-elect Harding.

March 17, 1921, we received from the Farm Loan Board the attached letter, marked "Exhibit D" and made a part hereof, which letter, as may be noted, was a general form letter made personal to myself as secretary-treasurer of the Rogue River Association; an identical copy of said letter was made personal to each of the seven directors of said association, to wit: A. R. Brashear, Frank H. Adams, J. C. Williams, J. M. Carlton, A. E. Dennis, A. B. Evans, E. E. Dimick. Each of said members received the said letter at the same time as the undersigned.

The undersigned, for and in behalf of said association, under date of March 17, 1921, replied to said letter; a copy of said reply is herewith attached, marked "Exhibit E" and made a part hereof.

That under date of March 23, 1921, W. H. Joyce, as member and acting secretary of said Farm Loan Board, replied to said letter to the undersigned, a copy of which is attached hereto and marked "Exhibit F" and made a part hereof.

That the said Joyce did not extend to the undersigned the courtesy of inclosing a copy of the letter written to the directors of Rogue River Association. A copy of letter referred to in "Exhibit F" is hereto attached, marked "Exhibit G" and made a part hereof. An identical copy of attached letter, marked "Exhibit G," with an identical copy of Attorney General Palmer's letter of December 21, marked "Exhibit G-1," is referred to in said "Exhibit G," was mailed to each of the directors of said association mentioned herein and received by them about March 29, 1921. All of which is true as I verily believe and know.

E. H. HURD.

Sworn and subscribed before me this 14th day of April, 1921.

[SEAL.] W. E. PHIPPS,
Notary Public for Oregon.

My commission expires October 2, 1923.

EXHIBIT A.

A. B. Evans presented the following resolution and moved its adoption:

"Whereas sponsored by the National Board of Farm Organizations there is being organized a National Union of Farm Loan Associations; and

"Whereas the purpose of the national union is to present to Congress, the Farm Loan Board, and such other interests as may be necessary constructive efforts for the perpetuation of the Federal farm-loan system and to stimulate a more cooperative effort on behalf of the farm-loan organization; and

"Whereas through legislation the right of representation of farm-loan associations in the Federal land banks has been taken away; and

"Whereas the farmers, through their holdings in the national farm-loan associations, now own approximately $17,649,265 of the capital stock of the Federal land banks, and the Government's interest in said banks is only $6,832,680; and

"Whereas the organization of a national union is a benefit to the farmers through their national farm-loan associations; and

"Whereas there is in Oregon a State association of national farm-loan associations, which has been of inestimable benefit to the associations; and

"Whereas the board of directors of this association did, at a meeting of the board held November 29, 1919, unanimously vote to join the Oregon Association of National Farm Loan Associations, and authorized the secretary-treasurer to pay the membership fee of $5, and said fee was paid by said secretary-treasurer, and this association did become a member of said State association; and

"Whereas the board of directors of this association did, at a meeting of the board held October 27, 1920, unanimously vote to join the National Union of Farm Loan Associations, and did authorize the secretary-treasurer to pay the membership fee of $10, and said fee was paid by the secretary-treasurer, and this association did become a member of the National Union of Farm Loan Associations: Now, therefore, be it

"*Resolved*, That we hereby ratify the said acts of our board of directors in joining said associations and paying the membership fees therein in every particular, and further authorize our secretary-treasurer, in behalf of our association, to perpetuate our membership in said State Association of National Farm Loan Associations and National Union of Farm Loan Associations, and that the secretary-treasurer be authorized to pay such fees or dues or incidental expenses as may be necessary upon the order of the board of directors."

The foregoing resolution, being duly seconded by A. R. Brashear, was adopted.

By E. H. Hurd: I certify that the above is a true and correct copy of a resolution unanimously adopted by the stockholders of said association at its annual regular adjourned meeting, from January 11, 1920, to February 5, 1921, held at Rogue River, Oreg.

E. H. HURD,
Secretary-Treasurer Rogue River National Farm Loan Association.

EXHIBIT B.

FEBRUARY 14, 1921.

In re Rogue River National Farm Loan Association, No. 346.

W. H. JOYCE,
Member and Acting Secretary Farm Loan Board,
Washington, D. C.

DEAR SIR: In accordance with your letter of December 10, 1920, with inclosures, I am herewith sending you duly certified amendment to the by-laws to the Rogue River Association, section 2, article 6, the annual report of said association, report of the annual election of directors and officers, also resolution in regard to payment of membership fees in State and national farm-loan associations.

In accordance with your letter of December 30, 1920, I am herewith inclosing you certified copies of resolution adopted by the board of directors of the above association in regard to initial charge for new members, also the fixed charges for secretary-treasurer's compensation as outlined in the forms you inclose. You will note that the board

has fixed a charge of $3 for transfer of membership in the association; also that the matter of deposits by new applicants to cover withdrawal charge made by the land bank of this section, which amount is left blank until we get the amount fixed by the land bank. We presume you will retain one copy of said resolution and return one to us with your approval of same or as approved by you. We trust that the associations will be receiving applications by the time this reaches you or soon thereafter.

Yours, very truly,

E. H. HURD, *Secretary-Treasurer.*

EXHIBIT C.

The following resolutions were unanimously adopted at the stockholders' meeting of the Rogue River National Farm Loan Association held February 5, 1921, which association has a membership of 26:

"Whereas on account of the pending litigation in the United States Supreme Court, which has been holding up the closing of many loans; and

"Whereas on account of the large number of unfinished loans on hand by this association, as well as practically every other farm loan association in the United States; and

"Whereas there is great need on the part of the applicants for the money for which they have applied; and

"Whereas there is a tremendous demand for money among the farmers and a great deal of loss will come unless these funds can be supplied; and

"Whereas the emergency act passed by Congress to relieve the situation only took care of all uncompleted applications up to and including February 29, 1921; and

"Whereas it is generally understood that there are several millions of dollars still unused which had previously been appropriated by Congress for the purchase of Federal land bank bonds for the purpose of relieving the situation; and

"Whereas the time that the United States Supreme Court will render its decision is uncertain and the need for funds on the part of the farmers is imperative at the present time; and

"Whereas the farmers through their farm loan associations now own $17,649,265 of the $24,579,225 of the capital stock of the 12 Federal land banks, and the Government now owns only $6,832,680 of the stock of the 12 Federal land banks; and

"Whereas the farmers who are the principal owners of the 12 Federal land banks are not now represented on the directorate of any of the 12 Federal land banks or on the Federal Farm Loan Board; and

"Whereas by an amendment approved January 18, 1918, the right was taken away from the farm loan associations to elect directors of the Federal land banks as was authorized by law, and that this amendment was passed without consulting the farm loan associations, and that the farm loan associations were not notified of the amendment until July, 1920; and

"Whereas there has been incurred a considerable expense on the part of our associations and all other associations in connection with pending applications; and

"Whereas by threats of prosecution and other intimidations in their circular letters to the associations, trying to stop the associations from forming themselves into a voluntary cooperative organization known as the National Union of Farm Loan Associations, which has been sponsored by the National Board of Farm Organizations and other farm organizations and associations and association interests, which association would give the farm loan associations the only voluntary means of the farm loan associations expressing themselves to Congress or otherwise; and

"Whereas by various rulings and restrictions the Federal Farm Loan Board is hampering the free action of the farm-loan associations and the cooperative feature of them; and

"Whereas by numerous other restrictions and rulings of the Farm Loan Board it is shown that to a very large extent the great cooperative feature which was intended in the enactment of the Federal farm-loan act is denied to the farmers who are now the principal owners of the business, and which business has been brought to a standstill through no fault of their own: Therefore be it

"*Resolved*, That we urge upon our Representatives and Senators in Congress the following special legislation:

"First. That the amendment approved January 18, 1918, taking away from farm-loan associations the right to elect six out of nine directors of each Federal land bank be immediately repealed.

"Second. That pending the decision of the United States Supreme Court relative to the constitutionality of the Federal farm-loan act, the United States Secretary of the Treasury be authorized and directed to purchase bonds issued by the Federal land banks.

"Third. That any legislation tending to restrict the directors and officers of farm-loan associations in the exercise of their duties as now prescribed in the Federal farm-loan act be resisted.

"Fourth. That to provide a better market for farm-loan bonds the provision which passed the Senate of the Sixty-fourth Congress which enacted the present Federal farm-loan act, but which failed the conference committee, be enacted into law:

"'Any bank of the Federal Reserve System may buy or sell farm-loan bonds; any member bank of said system may accept time drafts against a deposit of such bonds as security; acceptances of a member bank thus made or the direct obligation of such bank maturing within 60 days when accompanied by farm-loan bonds as collateral security not less in face value than the amount of such direct obligation shall be eligible for discount by any Federal reserve bank.'

"Fifth. That their influence be used with the Farm Loan Board to see that the right already given to farm-loan associations under the law to receive deposits to be used in the purchase of farm-loan bonds be put in operation.

"Sixth. That they support any legislation which will tend to give the agricultural interests more direct representation on the Federal Farm Loan Board.

"Seventh. Inasmuch as the official representatives of the National Board of Farm Organizations, the Farm Bureau, and Mr. W. W. Flannagan, secretary of the National Union of Farm Loan Associations, are very much in touch with the needs and situation in which the farm-loan associations are now placed, that consideration be given to recommendations suggested by them; and be it

"*Resolved further*, That we commend and give our support to the Oregon Association of National Farm Loan Associations and to the National Union of Farm Loan Associations; and be it

"*Resolved further*, That a copy of these resolutions be sent to our Senators and Representatives in Congress, to President-elect Harding, to Gov. Olcott, to representatives of different farmers' organizations at Washington, D. C., to Mr. W. W. Flannagan, secretary of the National Union of Farm Loan Associations, and that our secretary be authorized to present a similar set of resolutions for ratification and adoption by the next annual meeting of the Oregon State Association of National Farm Loan Associations."

EXHIBIT D.

TREASURY DEPARTMENT,
FEDERAL FARM LOAN BUREAU,
Washington, March 11, 1921.

Mr. E. H. HURD,
Secretary-Treasurer Rogue River N. F. L. A.,
Rogue River, Oreg.

MY DEAR SIR: I am directed by the Farm Loan Board to acknowledge receipt of your answer to our letter of inquiry of some days since relative to the use of national farm loan association funds for purposes other than those authorized by law.

We regret to know that your association has used $10 of its funds for the initial expense of joining the so-called National Union of Farm Loan Associations. We inclose you herewith a copy of the opinion of the Attorney General on this subject.

The Farm Loan Board does not question the good faith of you or of your associates, but the board can not evade its responsibility, and it must be governed, as must you, by the interpretation of the farm loan act by the highest legal authority of the Government, the Attorney General of the United States.

As you have been advised through the press, the Supreme Court on Monday, February 28, rendered its decision in our case which is a complete vindication of the constitutionality of the law under which we are organized. This, the board trusts, will make it possible, if farm loan bonds can be marketed in the present market, to renew active loaning operations in the near future.

The Farm Loan Board wishes it distinctly understood that no business will be permitted to be done by the Federal land bank of your district with national farm loan associations which refuse to obey the law as given to us by the Attorney General of the United States, and unless we are advised by April 1 that the resolutions authorizing this expenditure of $10 shall be rescinded in the proper manner and the $10 restored to the association funds, the Federal land bank of your district will be notified to cease doing business with you and to proceed at once to organize in the territory covered by the charter of your association a new association, or to recommend the extending of the territory of some other association of the community to take in the territory covered by your charter, in order that the needs of the borrowing farmers may be met, notwithstanding the attitude of your association.

A copy of this letter is being sent to the president and the directors of your association.

With the hope of having a prompt reply.

Very truly, yours,

JAMES B. MORMAN,
Assistant Secretary Farm Loan Board.

EXHIBIT E.

MARCH 17, 1921.

In re Rogue River National Farm Loan Association; paying of $10 membership fee to National Union of Farm Loan Associations.

JAMES B. MORMAN,
Assistant Secretary Federal Farm Loan Board,
Washington, D. C.

DEAR SIR: We have your letter of the 11th instant, together with a printed copy of a letter written by former Attorney General A. Mitchell Palmer, dated December 21, 1920, to the former Secretary of the Treasury. We are glad to note that we have a new administration, which gives us a new Attorney General and a new Secretary of the Treasury. Your letter makes no reference whatever to our letter of the 14th ultimo in regard to above association. With this letter was inclosed a copy of a resolution adopted by the stockholders of the Rogue River Association at their annual adjourned meeting of February 5, 1921, which resolution we ask your honorable board to carefully consider before issuing an order to the Federal land bank of Spokane to suspend the Rogue River Association.

We can not conceive of such a condition of affairs that your honorable board would arbitrarily, without warrant and authority of law, suspend the Rogue River Association. For your consideration we are inclosing you a copy of opinion of Hon. W. G. McAdoo, former Secretary of the Treasury and head of the Farm Loan Board, in regard to the question of the right of the farm loan associations to pay out of their general funds membership fee in the National Organization of Farm Loan Associations, December 29, 1920; also a copy of letter written by Hon. W. G. McAdoo to Hon. D. U. FLETCHER, United States Senate, Washington, D. C., on the 7th instant.

It is not conceivable that the actions of the Farm Loan Board as indicated in your letter of the 11th instant has any purpose other than to act as a scare to the farm loan associations of the United States—to prevent the proposed organization of a national union of farm loan associations, delegates to which are called to meet in Washington, D. C., April 20.

We wish again to call your attention to the resolution sent you under date of the 14th ultimo. We have your letter acknowledging receipt of same, and no objection was made to it; neither was any objection made to the report of Mr. Harris, examiner of national farm loan associations, other than your letter of the 17th ultimo, which only objected to the remuneration the directors allowed themselves, which matter has been taken up by the board of directors of the above association at its meeting on the 19th ultimo, a copy of which resolution I am herewith inclosing you for your approval. This resolution was made in anticipation of your letter of the 17th ultimo, as we had advised the board that no form of remuneration could be allowed under the law without the same first being approved by the Farm Loan Board.

We assure each and every member of the Farm Loan Board that so long as the undersigned is secretary-treasurer of any farm loan association no association will be allowed in any way whatever to violate the farm loan act, as far as can be prevented by the undersigned.

There is no question whatever as to the right of the stockholders of a farm loan association using its funds, other than the 10 per cent

reserve, in any way that it may see fit for the benefit of the association and its members, especially when same has been fully ratified by its stockholders, as was done in this case.

Yours, very truly,

E. H. HURD, *Secretary-Treasurer.*

EXHIBIT F.

MARCH 23, 1921.

Mr. E. H. HURD,
Secretary-Treasurer, Rogue River N. F. L. A.,
Medford, Oreg.

MY DEAR SIR: We acknowledge receipt of your letter of March 17 and have only to say that we have this day fully advised the officers of your associations of the position of this board and further correspondence with you touching this particular matter is therefore unnecessary.

Very truly, yours, W. H. JOYCE,
Member and Acting Secretary Farm Loan Board.

EXHIBIT G-1.

DEPARTMENT OF JUSTICE,
Washington, September 21, 1920.

MY DEAR MR. SECRETARY: I beg to acknowledge receipt of your letter of November 18, 1920, requesting an expression of my opinion upon the question whether the board of directors of a national farm loan association has the power to use the funds of the association for the purpose of contributing to the expenses of the promotion and upkeep of another voluntary association, including salaries of paid representatives in Washington.

A national farm loan association is one of the agencies through which, under the Federal Farm Loan System, the capital of the Federal land banks is loaned to bona fide cultivators of the soil. Under the provisions of the Federal farm loan act such associations may be organized by 10 or more natural persons who are owners or about to become owners of farm land qualified as security for a mortgage loan and who desire money on the farm-mortgage facilities (sec. 7). None but borrowers on farm-land mortgages can be members of such associations (sec. 8). Every member of such associations must also be a shareholder and is liable for the debts of the association to the extent of the amount of stock owned by him at par in addition to the amount represented by his shares (sec. 9).

No loan can be made through a national farm loan association without the unanimous approval of the association's loan committee (sec. 10). If the bank makes the loan, the money is paid to the borrower through the agency of the national farm loan association, which becomes liable to the bank for the payment of the loan (sec. 11).

From this statement it is quite clear, I think, that the only purpose for which a national farm loan association can be formed is for the purpose of acting as an agency through which loans are made by Federal land banks to its members. All of its assets constitute a guarantee fund for the liabilities of its members and can be diverted from that purpose only so far as authority to do so is granted by the act. These associations have not been expressly authorized to use their funds for the purpose of contributing to the expenses of the promotion and upkeep of other voluntary organizations, and I do not believe that authority to do so can be implied as reasonably necessary to enable them to accomplish the objects of their creation. I am therefore of the opinion that your question must be answered in the negative.

Respectfully,

A. MITCHELL PALMER,
Attorney General.

The honorable the SECRETARY OF THE TREASURY.

EXHIBIT G.

TREASURY DEPARTMENT,
Washington, March 23, 1921.

Mr. A. B. EVANS,
Director Rogue River National Farm Loan Association,
Rogue River, Oreg.

MY DEAR SIR: The Farm Loan Board has had considerable correspondence with your secretary-treasurer, E. H. Hurd, relative to the action of your association in using association funds in the amount of $10 in payment of your association's initiation fee to the so-called national union of farm loan associations. The Attorney General of the United States has held that the use of association funds for purposes of that kind is without authority of law. His opinion is herewith inclosed for your information. This board, as well as officers of the banks and of associations, have no alternative than to follow the law as interpreted to us by the chief law officer of the Government. The fact that lawyers without official standing or persons unconnected with the Department of Justice hold views contrary to those expressed by the Attorney General does not alter the case.

In a letter to Mr. Hurd, under date of March 17, the board pointed out very distinctly to him the consequences to your association if it should continue to refuse to abide by the opinion of the Attorney General, and we did this in the following language:

"The Farm Loan Board wishes it distinctly understood that no business will be permitted to be done by the Federal land bank of your district with national farm loan associations which refuse to obey the law as given to us by the Attorney General of the United States, and unless we are advised by April 1 that the resolutions authorizing this expenditure of $10 shall be rescinded in the proper manner and the $10 restored to the association funds, the Federal land bank of your district will be notified to cease doing business with you and to proceed at once to organize in the territory covered by the charter of your association a new association, or to recommend the extending of the territory of some other association of the community to take in the territory covered by your charter, in order that the needs of the borrowing farmers may be met, notwithstanding the attitude of your association."

The board does not believe that you, as an officer of your association, are fully advised of the situation, and before we issue directions to the Federal land bank to cease doing business with you and to proceed at once to organize another association in the territory now covered by your charter or to extend, if that is feasible, the territory of some other association to take in your community, we felt it only just to you that you should be advised fully of the situation. The board has a very distinct duty to perform and it is going to do it without any hesitation, and such associations as are not willing to conform to the law as it is given to us by the Attorney General will not be permitted to do any further business through the system. If, therefore, it is your desire to participate in the business which we hope soon again to resume, we would suggest that you put your association in position to do so and that we be notified of that fact at the earliest possible date.

Copy of letter sent to Mr. Hurd to-day is herewith inclosed.

Yours, very truly,

W. H. JOYCE,
Member and Acting Secretary Farm Loan Board.

Mr. FLETCHER. Such action as is threatened by the Farm Loan Board would mean the destruction of the farm-loan associations arbitrarily and at will—in effect, the confiscation of their property rights, the enforced forfeiture of all their interests and privileges, some of which I will enumerate, as well as the similar results as to the rights and interests of their shareholders—simply because they saw fit to establish an agent which they considered would be helpful to them in connection with their business and affairs. Such action would be indefensible, such an attitude untenable, such a threat preposterous.

Of course, the Farm Loan Board is absolutely without any authority or power to do what they threaten, and it is most unfortunate that they should take the position which they do take in this matter. This union is not antagonistic to the Farm Loan Board. It desires to cooperate with the board.

These national farm-loan associations are an essential part of the system, their members are vitally interested, involved financially and otherwise, and they look upon this farm loan act almost as a sacred thing, and they want to see it executed, its provisions administered in the broadest, most energetic, and efficient way. They want to be helpful. Why the Farm Loan Board should undertake to arbitrarily trample upon these farm-loan associations is beyond my comprehension.

Let us see what they are:

(1) Each farm-loan association is a corporation. Its articles of incorporation are executed and filed, and it is duly chartered. It has a board of five directors—president, vice president, and loan committee of three. It has a secretary-treasurer, who is entitled to compensation. It has duties and responsibilities prescribed by law—not by any regulation of the board, but by law.

(2) It holds stock in the Federal land bank of the district in which it exists. Each association shall be entitled to one vote for each share of stock held by it.

(3) Upon receipt of its charter it is authorized to receive sums to be loaned to its members. It must take stock to the amount of 5 per cent of each loan in the land bank, and it is entitled to receive dividends on that stock.

(4) The members of each national farm-loan association must subscribe for stock to the amount of 5 per cent of his loan. in the association, each member must be a borrower, and each borrower is entitled to dividends on the stock.

(5) Each association must provide for the increase of its capital stock, and is entitled to one-eighth of 1 per cent semi-annually upon the unpaid principal of loans.

(6) The shareholders in these associations are held, under the law, individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such association to the extent of the amount of stock owned by them, at the par value thereof, in addition to the amount paid in and represented by their shares.

(7) The law further provides that the reasonable expenses of the secretary-treasurer, the loan committee, and other officers and agents of national farm-loan associations, and the salary of the secretary-treasurer shall be paid from the general fund of the association, and the board of directors is authorized to set aside such sums as it shall deem requisite for that purpose and for other expenses of such association.

(8) The powers of national farm-loan associations are expressed in section 11 of the act.

SEC. 11. That every national farm loan association shall have power—

First. To indorse, and thereby become liable for the payment of, mortgages taken from its shareholders by the Federal land bank of its district.

Second. To receive from the Federal land bank of its district funds advanced by said land bank, and to deliver said funds to its shareholders on receipt of first mortgages qualified under section 12 of this act.

Third. To acquire and dispose of such property, real or personal, as may be necessary or convenient for the transaction of its business.

Fourth. To issue certificates against deposits of current funds bearing interest for not longer than one year at not to exceed 4 per cent per annum after six days from date, convertible into farm loan bonds when presented at the Federal land bank of the district in the amount of $25 or any multiple thereof. Such deposits, when received, shall be forthwith transmitted to said land bank, and be invested by it in the purchase of farm loan bonds issued by a Federal land bank or in the first mortgages as defined by this act.

The third paragraph of this section has been amended, but the language given remains.

In the face of the express provisions of the law creating these associations, separate, corporate entities, with rights and privileges, it is a bald assumption of authority to ignore them or, in effect, take away their charters. They have express authority to acquire and dispose of such property, real and personal, as may be convenient or necessary for the transaction of their business. They have express authority to select officers and agents and to pay them and other expenses of such associations.

To assert that these associations can not create an agent, such as a union of farm loan associations, and incur the expense of $10 toward its maintenance, in connection with their business and their work, and in furtherance of their rights and interests, is to misconstrue the law. When they have power to acquire and dispose of property, real or personal, which may be necessary or convenient for the transaction of their business, it is absurd to say they can not appropriate $10 out of their general fund, or raise it by special assessment, or any other reasonable sum, for purposes which they deem helpful and beneficial in their work or business.

These associations can meet once a month if they like, and appropriate money for the purpose of having a picnic, or for the purpose of hiring a boat and going fishing. It would be all the better for them if they did this. That would be in accordance with the spirit of the law. These farm loan associations should be on the order of community centers.

Another important matter for consideration is the rights of the members of these associations. They can not be taken away by the Farm Loan Board. All the power the Farm Loan Board has is provided in section 17, namely supervisory powers. They have the same power over the banks as they have over farm loan associations. Who would contend that the Farm Loan Board can abolish one of these district land banks, close it up and declare it shall do no more business?

The law in section 4 gives these farm loan associations the right to elect six out of nine directors of these Federal land banks. That has been changed by the amendment to which I have referred, but that is not intended to be a permanent change. This right is suspended for a while longer. That is all. This right ought to be restored to them, and will, I believe, in due course. With the power to name three of these directors by the Farm Loan Board, the Government's interest is fully protected; and certainly the stockholders, owning $17,000,000 out of the $24,000,000 of capital stock, ought to have the right to elect the other six directors.

The position of the Farm Loan Board as set out in the Oregon case mentioned and also in the letter from Mississippi, which I ask to insert, is absurd, and I trust they will recede from that position and without question, but with real enthusiastic welcome, accept the offers of this agency, lawfully and properly created by the farm loan association, as expressed in the letter of President Gates to the commission, dated April 26, which I also ask leave to place in the RECORD. So far as I am advised, there has been no reply to this letter.

The VICE PRESIDENT. Without objection, the letters will be printed in the RECORD.

The letters are as follows:

CHARLESTON, MISS., *April 4, 1921.*

Senator DUNCAN U. FLETCHER,
Washington, D. C.

DEAR SIR: I am in receipt of your letter of the 31st, and I certainly appreciate the interest you are taking in the organization of the National Union of Farm Loan Associations. I have been trying to get the associations in this State to join this organization, but have been up against a hard proposition on account of the Farm Loan Board and the Federal land bank being against it, and making all kinds of threats against associations that joined. I have just received a telegram from the Farm Loan Board stating that it would instruct the Federal land bank of my district not to accept any more applications from my association unless I complied with their wishes in this matter. I realize the great importance of the associations joining this organization, but I do not want to do anything that will keep the farmers in my territory from getting loans, as they need it worse than they have ever needed it before. Can not Congress give us some relief from the power that the Farm Loan Board is using and are taking all the rights away from the associations? The secretary-treasurers of the local farm loan associations are the men who get the business for the Federal land banks, but get very little consideration from the Farm Loan Board and Federal land banks. I will be glad to hear from you in this matter, and again thanking you for the fight you are making in the interest of our farmers.

Yours, very truly,

JOHN N. SULLIVANT,
Secretary-Treasurer Tallahatchie National Farm Loan Association.

APRIL 26, 1921.

Hon. CHARLES E. LOBDELL,
Commissioner Farm Loan Board,
Washington, D. C.

DEAR SIR: The constitution of the National Union of Farm Loan Associations provides for an advisory council in the following words:

"ART. X. There shall be an advisory council selected by the executive committee which shall consist of well-known prominent men identified with the welfare of the farming interests of the country and friendly toward the farm loan act.

"The members thereof shall be consulted at all times available by the members of the board of delegates and of the executive committee and their friendly advice sought, especially with reference to legislative matters. Any member thereof shall be entitled to a seat at all meetings of the board of delegates and at the annual and special meetings of the national union. The individual members of the Federal Farm Loan Board shall be ex officio members of the advisory council."

In pursuance thereof, on behalf of the executive committee and under its instructions, I beg to express the hope that you will accept membership on the advisory council and give us the benefit of your counsel and advice.

An impression seems to prevail among the members of the Farm Loan Board that the purpose of the national union is to antagonize said board and question its supervisory authority under the farm loan act.

I beg to assure you that such is not the case, but that, on the contrary, it is the earnest desire of the members of the national union to encourage the most friendly relations with said board and to support it in the exercise of all its legal functions to the fullest extent.

We believe that we can be of service in furthering legislation to perpetuate and increase the great benefits conferred upon the agricultural interests of the country by the farm loan act by supporting and encouraging the cooperative spirit of that act as expressed through the organization of the national farm-loan associations, and it shall be our earnest purpose to cooperate with the Farm Loan Board with that end in view by all proper and legal means in our power.

Yours, truly,

M. ELWOOD GATES, *President.*

Mr. FLETCHER. It has not been my intention to criticize, much less reflect upon, the Farm Loan Board. Most of its members I am proud to regard as my warm personal friends, for whom I entertain the highest respect and esteem. Their faithful and effective public service in other fields is well recognized and worthy of all praise. I must believe they have misconceived or misjudged the purpose and character of this proposed agency of the national farm-loan associations.

They must know by this time that the people behind the movement to establish the National Union of Farm Loan Associations as their representative in the matters with which they have cooperated to charge it and those directing its activities are sincere friends of the farm loan act and earnestly desire the most harmonious relations with the Farm Loan Board. They may be assured that the union hopes to act in full accord with the board, but if that is not possible as to every detail such honest difference as may arise shall be openly considered in order that rational conclusions shall be reached in the best interest of all concerned. Any antagonism or conflict should be avoided and would be deplorable, because, if for no other reason, that would bring joy to the enemies of the farm-loan system.

The responsibility for any such consequences must rest with the Farm Loan Board, since there are rights and interests of the farm-loan associations, as corporate entities, and of their members or shareholders which can not be taken away by any orders or action of the board.

These associations can not be crushed by a course of procedure which would render them dormant and inactive. That would be in violation of the law and would be based on a perversion of the power of supervision and an assumption of authority never granted.

I hope and believe the Farm Loan Board and the farm-loan associations will work in complete agreement, with the spirit and determination to make the farm loan act serve in full measure the beneficent purposes intended and accomplish the vast benefits which the pronounced success already experienced should adequately guarantee.

In the Farmers' National Magazine of April, 1921, is an article by Dr. Paul Wilkie entitled "Farm-loan system has given service," which is a very conservative, intelligent, and admirable statement. I ask to make it a part of my remarks.

The VICE PRESIDENT. Without objection, it will be so ordered.

The matter referred to is as follows:

[From the Farmers' National Magazine.]

"FARM LOAN SYSTEM HAS GIVEN SERVICE—AGRICULTURE NEEDS FUNDS—PRESENT FARM LOAN SYSTEM HAS GIVEN VALUABLE SERVICE—FARM MORTGAGE BANKERS ARE PRINCIPAL OPPONENTS—AMENDMENTS AND CHANGES SHOULD BE MADE BY FRIENDS OF SYSTEM TO INCREASE ITS POWER OF SERVICE—UNITED EFFORTS WILL PROTECT AGAINST INJURIOUS CHANGES.

[By Paul Wilkie.]

"Word comes from Washington to the effect that certain Republican leaders in Congress have said that the Federal farm loan act is to be rewritten.

"For more than a year threats of changes in the law have been heard, but the attacks upon the system have been so much in the nature of a scattering fire that it has been difficult to tell just what provisions of the act are to be first assailed.

"However, friends of the farm loan system never have been deceived as to the chief objective of the enemy. Though the farm-mortgage bankers have attacked first one part of the system, then another part—concentrating at one time on the Federal land banks, at another time on the national farm loan associations, and at still another time on the joint-stock land

banks—all friends of the law now see clearly that the attacks—like those of the Germans on the eastern front—have been shifted from time to time merely in an effort to find the weakest point in the line of defense and that the real object of the farm-mortgage brokers is to destroy the farm loan system as a whole.

"FRIENDS OF SYSTEM UNITED.

"Accordingly friends of the act are now prepared to present a united front in defense of all parts of the system, realizing that if the mortgage brokers succeed in killing off any part of the system they will then proceed at once to destroy whatever remains.

"The nature and purpose of the attack upon the farm loan system and the attitude of the friends of the system were aptly described in a story told by Charles A. Lyman, secretary of the National Board of Farm Organizations, at a recent meeting of a group of friends in Washington. Mr. Lyman told of the testimony of Knute Knudson in a suit brought by the widow of Ole Oleson against a railroad company to recover damages for the death of her husband. Asked to describe just what happened, Knute said, 'Vell, ve all ver valking down ver drack dalking about the crops, ven I heard a derrible noise and den a train whistled, and I looked around and yumped just in time to get off the drack. The train went by but I didn't see Ole anywhere. I called to him, but he did not answer. I walked up the drack a ways and I found Ole's foot. A little further on I found Ole's arm. By and by I found Ole's head. Then I said, "By golly, something has happened to Ole."'

"This story seems to have a very pat application to the present attack upon the farm loan system by the farm mortgage bankers, and the fate of Ole seems to foreshadow the fate which the farm mortgage bankers intend to mete out to the farm loan system.

"Mr. Lyman seemed to give voice to the general judgment of those present that when it was found first that the mortgage bankers were attacking the Federal land banks and a little later that they were attacking the national farm loan associations and that finally they were attacking the joint stock land banks, the conclusion was inevitable that something was about to happen to the farm loan system.

"REASONS FOR OPPOSITION.

"There is no question about the intent of the farm mortgage bankers, and viewed from their standpoint there is no doubt that the old-style mortgage men have a very sufficient reason for their opposition to the banks of the farm loan system. During the three years that these land banks—Federal land banks and joint stock land banks—have been in actual operation farmers have borrowed almost half a billion of dollars on the long-term amortized plan, at low rates of interest and without paying a single dollar in commissions. It has been estimated by those operating these banks that the farmers of America already have been saved more than $10,000,000 in interest and as much as $10,000,000 in commissions. And, of course, the money that has thus been saved to the farmers in interest and commissions has been lost to the farm mortgage bankers. This is the concrete reason for their opposition, no matter what high-sounding phrases they may use as the excuse for their attacks upon the law and the banks.

"FEATURES OF FARM LOAN SYSTEM.

"If the friends of the farm loan system are to put up a united front against the common enemy the various parts of the system must get together and find a common basis for friendly cooperation.

"The farm loan act provides for two plans of borrowing—one known as the cooperative plan, the other known as the direct-borrowing plan.

"Under the cooperative plan farmers who desire to borrow are required to form cooperative associations and buy stock in the Federal land banks. These farmer stockholders have a voice in the management of the banks and participate in the profits.

"Under the plan of direct borrowing, the farmer may secure his loan by applying directly to a joint stock land bank, without the necessity of forming a cooperative association. The stock of these banks is subscribed by private individuals who may be borrowers but are not required to be borrowers.

"None but the stockholders, of course, have a voice in the management of a joint stock land bank and none but the stockholders participate in the profits.

"Under both plans the rates of interest are limited by law (the same limitation applying to the banks of direct borrowing that apply to the cooperative banks) and commissions are prohibited. In other words, under either plan of borrowing provided by the farm loan act the borrower is protected against usurious rates of interest and against commission charges in every and all forms.

"NO INJURIOUS COMPETITION.

"The Farm Mortgage Bankers' Association of America has expended considerable energy and much money in an effort to make it appear that the banks under the direct-borrowing plan are in competition with the cooperative banks. And as a matter of fact there is a mild degree of competition between the banks of these two plans. However, it has not been and need never be injurious to the banks operating under either plan. On the contrary, a little competition may be good for the esprit de corps of both kinds of banks.

"It will be recalled that the Federal land banks are not permitted to lend more than $10,000 to a single individual and that the joint stock land banks are permitted to lend as much as $50,000 to a single individual. The suggestion has been made—and has some merit—that the Federal land banks should be permitted to lend as much as $25,000 to a single individual. A suggestion also has been made that there should be a dividing line as to the size of loans which each type of bank could make, so that there would be no overlapping and, therefore, no real competition. In other words, if the Federal land banks are not to be allowed to lend more than $10,000, then the joint stock land banks should not be allowed to lend below that amount.

"This is not a matter that is difficult to adjust, and doubtless is one which could be readily disposed of at a conference between the presidents of the Federal land banks and the joint stock land banks, the conference to be presided over by the members of the Farm Loan Board.

"FIELDS OF SERVICE DISTINCT.

"However, there are distinct fields of service for each kind of bank, the distinction arising from the differences in the preferences of farmers as to the plan of borrowing they desire to use.

"In a general sense there need be no competition between the joint stock and the Federal banks, because neither type of bank has been able to furnish one-half the loans for which farmers have applied, and both banks have had to refuse loans on account of lack of funds.

"Agriculture needs and will need all the funds that can be supplied for many years to come. Farmers should guard against the loss of any agency that can make loans on the long-term amortized plan at low rates of interest. Therefore the friends of the various parts of the farm loan system will do well to pool their interests and present a united front to the common enemy. With the friends of the system united, there is little danger that any injurious amendment to the farm loan act will pass either House of Congress."

Mr. NEW. Mr. President, a parliamentary inquiry. Is an amendment to the bill under discussion in order at this time—not a committee amendment?

The VICE PRESIDENT. It is in order to offer the amendment; then it can be moved at some future time.

Mr. NEW. In that case, Mr. President, I send to the desk an amendment, with the request that it be printed and lie upon the table until it is in order.

The VICE PRESIDENT. That order will be made.

Mr. MOSES. Mr. President, a parliamentary inquiry. Has any committee amendment been disposed of?

The VICE PRESIDENT. It has not. The question is on the amendment reported by the committee.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Borah	Harrison	McKellar	Shields
Broussard	Heflin	McKinley	Simmons
Bursum	Johnson	McLean	Smoot
Calder	Jones, N. Mex.	McNary	Spencer
Capper	Jones, Wash.	Moses	Stanfield
Caraway	Kellogg	Nelson	Stanley
Curtis	Kendrick	New	Sterling
Dillingham	Kenyon	Nicholson	Sutherland
Elkins	Keyes	Norris	Swanson
Fletcher	King	Oddie	Trammell
Gerry	Ladd	Overman	Underwood
Glass	La Follette	Phipps	Wadsworth
Gooding	Lenroot	Poindexter	Walsh, Mass.
Hale	McCormick	Pomerene	Warren
Harris	McCumber	Sheppard	Willis

The VICE PRESIDENT. Sixty Senators having answered to their names, a quorum is present. The question is on agreeing to the committee amendment.

Mr. HARRISON. Mr. President, is not some one on the other side of the aisle going to discuss this very important bill?

There have been only two speeches made on the majority side in defense of this proposed legislation, both very short. Is no one going to explain its provisions this afternoon?

Mr. McCUMBER. Mr. President, everything has been fully explained as to the additional matters that have been added to the bill. The agricultural schedule was discussed for about a month last winter, and that schedule has not been changed in a single item or a single expression. Inasmuch as that has been so fully covered, and the Senator from Mississippi discussed it so long, especially the provision relating to sugar, during the last session, we have felt that it was unnecessary to go over and rehash what it had already taken us two months to go over. I do not know of anyone on this side who wishes to discuss the other provisions of the bill.

Mr. HARRISON. Of course, I can understand why Senators on the other side of the aisle do not want to discuss and defend the agricultural section of the bill.

Mr. McCUMBER. We have done it once; there is no need of doing it twice.

Mr. HARRISON. The Senator from North Dakota at the last session of Congress was the only one who attempted to defend the proposition at all, and he discussed only the wheat item. It is so iniquitous that I congratulate the Senators on the other side of the aisle on the policy they have adopted of trying to let the measure go through without saying anything about it.

But, Mr. President, the Senator from Rhode Island [Mr. GERRY] is prepared to discuss the bill this afternoon.

Mr. McCUMBER. We shall be very glad to hear of the iniquity of the measure from the Senator from Rhode Island.

Mr. JONES of New Mexico. Mr. President, I understand it has been announced that there will not be any amendment made to the tariff features of the bill, but notwithstanding that statement I propose an amendment placing a duty upon hides. I ask that it be printed and lie on the table.

The VICE PRESIDENT. That order will be made.

Mr. GERRY. Mr. President, during the last session of Congress I discussed in detail the different provisions of the so-called emergency tariff bill and went into the subject matter of it very thoroughly, and gave rather exhaustive statistics.

Under these circumstances I do not intend to again consider those features of the bill in that way. It would be a mere repetition and unnecessary, as the bill we now have before the Senate is in the provisions relating to a tariff on agricultural products identical with the bill considered at the last session.

The difference between this bill and the former one lies in the antidumping provision, and also in the addition of a provision prolonging the present regulation as to dyes and chemicals. The bill is such a hodgepodge and so unsound in every principle of scientific tariff legislation that it is hard to know where to begin to attack it.

As originally conceived in the House the measure was very much shorter and dealt with a much smaller number of industries. After it was rushed through there, with practically one day's debate, it came over to the Senate and hearings were held by the Finance Committee, and for the obvious purpose of obtaining more friends for this bill additional duties on other commodities were added, thrown together, I might say, and the result was the present monstrosity.

I am very sorry that the majority did not deem it wise to abandon this legislation, at least temporarily, and take up what the country was really expecting, namely, a revision of the revenue laws. There can be no doubt that it is for the best interests of business communities and the country as a whole that the present revenue laws should be revised, and revised as soon as possible. The legislation was war-time legislation, passed with war conditions in mind, and with the idea that it would be amended as soon as the war was over.

The Democratic Party made some revision before it went out of power, against the opposition of our friends on the other side, and proceeded to reduce the taxes in certain important particulars. When the present majority party came into power it was with the understanding that they would revise that legislation. They had control of both Houses of Congress, and it was for them to take the situation in hand and do what was unquestionably for the best interests of the community. President Wilson advocated the revision of the law, but no heed was paid to his request. It was evidently the idea of the majority party that it was better politics to leave the present high taxes on the statute books. Probably politically they were wise, but as to the statesmanship of such a course there can be but one conclusion.

Now that it is proposed to revise the revenue legislation later, I say that I regret it is not to be taken up immediately and considered before the tariff, so that the country could have an opportunity as soon as possible to receive the help that would come to business from such action. The folly of the present policy is more than ever brought out and emphasized when we realize the difficulties of drafting any tariff legislation at this time. Heretofore when a tariff bill has been considered America has always been a debtor Nation. Now we are a creditor Nation, with a great supply of gold in our Treasury; in fact, there is so much gold in this country that we do not desire to increase it.

To-day Europe owes us something like $10,000,000,000, which she must either pay us in gold or in commodities. She must either export commodities to us and in that way help change the balance of trade, or she must pay us in gold, which she can not do. The proposition is perfectly simple, and every banker in the country knows that there is no other way to remedy the present condition than to stabilize foreign exchange. Apparently our friends upon the other side are still of the belief that a tariff is the panacea for all ills, and that it will immediately commence to cure business conditions and make the country once more prosperous. In fact, at the other end of the Capitol one of the Republican leaders has even gone so far as to intimate that he would be willing to forego the debt owed us by our allies if by so doing he would be able to keep America a high-protection country. It seems to me that no better example than that could be given of the extreme to which the friends of protection are willing to go, but of course such a policy will not be followed, and our debts will be paid us by our allies, for the political leaders and the country at large would not be satisfied with any other course.

The pending bill places duties that are really prohibitive, duties higher than those in the Payne-Aldrich tariff bill, on practically all the necessities of life, the food we eat, and the clothes we wear. If we glance through the bill for a moment and look at the articles enumerated we will see that there are duties on wheat, corn, beans, potatoes, onions, rice, cattle, sheep, even frozen meats, "meats of all kinds," as well as cotton, wool, sugar, butter, cheese, milk, condensed milk, and tobacco, so that from the time the consumer sits down to the time he leaves the table and has his smoke everything is to pay an additional tax.

In other words, if the theory of the bill is correct, the American people are to pay the losses, which the western farmer is now suffering because of the world condition. The manufacturer, the ordinary individual in business, is not to be reimbursed for what he is losing on account of the war with Germany, but the farmer must be taken care of, so he is to have special legislation and the rest of our people are to pay for it.

As I called attention in my former speech, this is an appalling conditions of affairs, especially to those of us who come from New England and the Eastern States. To-day there are 3,000,000 to 5,000,000 people out of work in the country. In my own State of Rhode Island the Government statistics show that something like 21,000 people are out of employment. My own information is that there are a great many more than that who are not working anything like full time. One can not pick up a financial paper without reading comments on the condition that exists to-day, and then the hope is expressed that it will improve, followed by long articles telling how this can be accomplished, and general statements made evidently with the idea of trying to keep a good face with a deplorable condition. But how can we expect conditions to improve, how can we expect the laboring man to look with any satisfaction or degree of acquiescence upon the situation or without a strong feeling that injustice is being done him when his wages are being reduced and his cost of living is attempted to be increased?

The only way that it will be possible with any degree of fairness to reduce wages will be also to do everything possible to reduce the high cost of living. Just as soon as the last election was over wages were reduced pretty generally throughout my State. What the connection was between the two I leave to the workingman to decide. However, the fact remains that all through the industrial centers there has been a reduction in wages that is continuing and will probably continue for some time to come, and yet the first important financial bill that is brought in for the consideration of the Senate is a bill to place duties on the necessities of life and to increase the already high cost of living which must naturally follow if the theory of the bill is successful.

I do not believe that the bill will work out as its proponents think it will. I do not believe that we are going to regulate very easily the price of these commodities and that we are going to obtain revenue from commodities which we export in tremendously greater quantities than we import. I am inclined to think, although I can not speak with the authority of a western man, that the reason there were some large importa-

tions of Canadian wheat into this country last fall was because the Canadian farmer was advised to sell at the then market price and the American farmer was advised to hold his wheat. The result was that the miller had to obtain wheat, and he naturally bought it from the people who were willing to sell. The Canadian surplus of wheat was disposed of, and the American farmer had his wheat left on his hands.

Wheat is only one of the many articles that are covered in the bill which we export in tremendous quantities and whose prices are really determined in foreign markets. The price of wheat is determined in Liverpool, not in Minneapolis. Corn is one of America's greatest agricultural staples, and it seems as absurd to place a duty upon it as it does to place a duty on some of the other commodities enumerated. But the framers of the bill were not satisfied with protecting the farmer and went a step further and put a duty on frozen beef and a duty on sugar. In my opinion, the people who are really going to profit from this legislation are not going to be the farmers, but the middlemen, the Beef Trust, and the Sugar Trust. Thousands and thousands of carcasses of sheep are already stored in our warehouses, and yet the public has received very little benefit from this increased supply. If an increase in supply does not bring about a lowering of price, the middleman must be having something to say about what shall be the retail price. It seems to me that he, and that these great trusts like the Sugar Trust and the Beef Trust, are going to see that if there is any opportunity of raising prices on account of the new tariff that they will get the first and full advantage of it, and if the farmer gets anything it will, indeed, be a matter of surprise.

There is another fact to be considered in connection with this proposed legislation, and that is that as we are taxing all raw materials we are really lowering the tariff on the manufactured products. The result is that we are not only hitting the necessities of life, but we are also changing the duties on the finished product, doing so without any scientific consideration or upon any sound basis.

There is no question that a measure such as this is very apt to produce retaliation in foreign countries that are good customers of the United States. Canada is a very good customer of ours and her exports of wheat to this country have been small, compared with the things which she purchases from us. The Argentine is already talking of retaliation, and, as the matter has been reported in the press, attention is called to the fact that, while our President has been expressing his faith in the Monroe doctrine, and emphasizing our regard for our neighbors to the south of us, one of the first things we do is to place a high protective duty upon the statute books that can not fail but react on the exports they wish to send us.

Mr. President, there is also the danger that, if this tariff bill works out as its proponents contend, the consumers of the country will continue what they commenced after the recent war, namely, a strike against buying, which can not fail to have a retarding influence upon our return to prosperity.

But enough of the agricultural features of the bill. I now wish to turn for a few moments to the provisions of the measure which are contained in the antidumping sections. This is a new feature of the bill, and was apparently added in order that it might afford a new method of extending protection, probably with a hope that it might attract support from other sections of the country.

The mere fact that the little amount of dumping from which we suffered directly after the war is now over does not apparently appeal to the framers of the bill. The statistics show that to-day we are not suffering at all from commodities being dumped into this country. In spite of that section 201 gives the Secretary of the Treasury the power, which he can delegate, to investigate, and if he finds that any industry in the United States "is being or is likely to be injured or is prevented from being established"—even if an industry does not exist here—if he has an idea that one might be established and is prevented "by reason of the importation into the United States of a class or kind of foreign merchandise" or likely to be sold here "at less than its fair value," he is then directed to make such findings public, describe the merchandise, and give certain instructions to the appraising officers at our ports how to proceed.

In section 202 the bill sets forth that—

> If the purchase price or the exporter's sales price is less than the foreign market value (or, in the absence of such value, than the cost of production) there shall be levied, collected, and paid, in addition to the duties imposed thereon by law, a special dumping duty in an amount equal to such difference.

Roughly speaking, this duty is the difference between the export purchase price and the price at which the commodity sells in the market of production.

But the extraordinary feature of this proposed legislation is that it applies not only to dutiable articles but to commodities that are on the free list. Why there should be any objection to admitting to this country commodities that are on the free list, no matter how low the price at which they are sold, is difficult to conceive, for, if I understand the theory of the free list at all, the idea is that certain articles shall be allowed to enter this country without any duty, because by so doing a benefit accrues to us. This special dumping duty simply does away, in part, with the free-list provisions of the existing tariff law.

For the purpose of determining whether in the case of importations there is dumping certain definitions are given. I think that possibly it may be of some interest to the Senate to consider them somewhat in detail, as this section of the bill is novel, and I do not believe it has been very thoroughly studied by many Senators.

The purchase price as defined in section 203 is the price for which an article "has been purchased or agreed to be purchased, prior to the time of exportation," by the importer or his agent. This price shall include "the cost of all containers and coverings"; "all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States less the amount, if any, included in such price attributable to any costs, charges, United States import duties, and expenses incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States"; the amount of any export duty imposed by the exporting country; the amount of any import duties imposed by the country of exportation which have been rebated or not collected; the amount of taxes imposed in the exporting country "upon the manufacturer, producer, or seller, in respect to the manufacture, production, or sale, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States."

The next important definition is the exporters' sales price, which is the price for which the goods are sold or agreed to be sold in the United States before or after the time of importation by the exporter or his agents. This price shall include "the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States"; the amount of any import duties imposed by the exporting country which have been rebated or which have not been collected because of exportation to the United States; the amount of any taxes imposed in the exporting country "upon the manufacturer, producer, or seller in respect to the manufacture, production, or sale, rebated, or not collected." This price shall not include any export tax imposed by the exporting country on exportations to the United States or the costs, charges, United States import duties, expenses incident to bringing the goods from the place of shipment in the exporting country to the United States, commissions paid for selling in the United States, and generally expenses incurred by the exporter or agent in the United States in selling identical or substantially identical merchandise.

Then, the foreign market price is the price at which such merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade for home consumption; or, if not, then for exportation to countries other than the United States. This price shall include the cost of all coverings or containers and all other costs, charges, and expenses incident to placing the merchandise in condition, packed for shipment to the United States. The price at the time of such exportation, or the date of such purchase or agreement to purchase, is to be considered the time at which the price is to be computed.

If we take into account these conditions regarding the purchase price, the export sales price, and the foreign market price of the commodities, it will be seen that theoretically the duty imposed under the dumping clause may possibly be reached. Undoubtedly, if there were any large extent of dumping in this country, it would entail enormous expense to arrive at conclusions under all these technical and difficult enumerations. The expense entailed and the number of appraisers that would be required would undoubtedly be very large; but to my mind one of the iniquities of the provision lies in the fact that the Secretary of the Treasury—and not only the Secretary, but the person upon whom he can confer these powers and duties—is given such very wide discretion as to what shall or shall not be investigated. Naturally the Secretary, with all the work that he has to do, will be unable to attend to this matter personally, and will have to delegate it. It seems to me most unwise in any case that Congress should allow such wide latitude to any Cabinet

official, or to any official, no matter how able. It is unsound in peace times to grant such extensive powers as are contained in this section of the bill.

If a dumping clause is to be considered, the plan of the Underwood tariff bill as it passed the House, but which was rejected in the Senate, should be carried out, and Congress should determine what imports are subject to such dumping duties and what are not; and unquestionably the entire free list should not be included.

Section 403 of the bill relates to the currency provisions, so that there may be a standard for determining the value of the goods in American money; and naturally, in the depreciated condition of European currency, this is an important section. It provides for quarterly estimates by the Director of the Mint, and that if these vary as much as 5 per cent from the value measured by the buying rate in the New York market at noon on the day of exportation, then such latter rate shall govern.

Title V has for its object the continuing of the present legislation on dyes and chemicals. It provides that the license power now exercised by the War Trade Board section of the Department of State shall cease and shall be turned over to the Treasury Department, and continued for six months longer. The reason for turning it over to the Treasury Department is because this was a war measure that was passed in 1918, before the close of the war, and will cease to be in effect if the joint resolution declaring a state of peace to exist, which passed the Senate the other day, is finally passed by the other House and signed by the President.

Personally I believe that it is a mistake to continue these war powers in times of peace. This provision will work hardship to many manufacturers who will be unable to obtain the dyes that they need of the quality they need, and especially it will do harm to the consumer, which is more important, because he will receive clothes dyed with inferior dyes.

Mr. President, I have covered in this very general way my objections to this bill, because, as I said in my introductory remarks, I had already gone very thoroughly into its agricultural features in a speech that I made in the previous Congress. I know the bill is absolutely unscientific. I believe that it is inexcusable, and can not fail to do harm and injustice not only to my own State but to all the people of America who are now going through a period of depression.

As I said before, with between three and five million men out of work, with not very much light appearing, our friends on the other side of the aisle, after coming in on a platform of reducing the high cost of living, are now proceeding in their very first legislation to show how flimsy these promises that were made, what scraps of paper they were. They are repeating their former history, when they were elected on a pledge to revise the tariff, and then passed the Payne-Aldrich bill and revised it upward instead of downward.

For my part, I can but voice my opposition to this measure and vote against it.

The VICE PRESIDENT. The question is on the amendment of the committee.

Mr. HARRISON. Mr. President, does any Senator on the other side wish to speak on this bill?

Mr. McCUMBER. No; we are ready to listen to the Senator from Mississippi.

Mr. HARRISON. Are you ready to adjourn?

Mr. McCUMBER. No; I wish the Senator would go on for a little while.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Ball	Harris	McKinley	Sheppard
Borah	Harrison	McLean	Shortridge
Broussard	Heflin	McNary	Simmons
Bursum	Johnson	Myers	Smoot
Calder	Jones, N. Mex.	Nelson	Spencer
Capper	Kellogg	New	Stanfield
Caraway	Kendrick	Nicholson	Sterling
Cummins	Kenyon	Norbeck	Swanson
Curtis	Keyes	Norris	Trammell
Dillingham	King	Oddie	Underwood
Elkins	Knox	Overman	Wadsworth
Fernald	Ladd	Penrose	Walsh, Mass.
Fletcher	La Follette	Phipps	Warren
Gerry	McCormick	Pittman	Watson, Ind.
Glass	McCumber	Ransdell	Williams
Gooding	McKellar	Reed	Willis

The VICE PRESIDENT. Sixty-four Senators having answered to their names, a quorum is present.

NATIONAL BUDGET SYSTEM.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives requesting a conference with the Senate on the bill (S. 1084) to provide a national budget system and an independent audit of Government accounts, and for other purposes, and the amendment of the House thereto.

Mr. McCORMICK. I move that the Senate disagree to the House amendment, agree to the request for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. McCORMICK, Mr. MOSES, and Mr. UNDERWOOD conferees on the part of the Senate.

EMERGENCY TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

Mr. PENROSE. Mr. President, I desire to submit the following unanimous-consent agreement, which I ask to have read; and I call the attention of the Senator from North Carolina [Mr. SIMMONS] to the same.

The VICE PRESIDENT. It will be read.

The ASSISTANT SECRETARY. The Senator from Pennsylvania asks unanimous consent that at not later than 3 o'clock p. m. on the calendar day of Wednesday, May 11, 1921, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, through the regular parliamentary stages to its final disposition; and that after the hour of 12.30 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than 10 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

Mr. REED. Mr. President, the difficulty which I have always felt existed in regard to agreements of the character now before the Senate is found in the fact that if an amendment, however meritorious it may be, is not voted upon before the hour fixed, there is no time to present the amendment or discuss it. If this proposition could be changed so that after 3 o'clock any amendment brought forward could be discussed under a 5 or 10 minute rule, I would make no objection to it.

I have no desire to delay the passage of the bill. I want to discuss it, but I can not be ready to discuss it as I want to do before Monday. If the Senator from Pennsylvania could modify his request so that it would permit discussion of amendments not to exceed 10 minutes by any one Senator, it would be agreeable to me.

Mr. PENROSE. Mr. President, according to that we would be here, perhaps, until midnight.

Mr. REED. That is entirely possible, but it is not likely.

Mr. PENROSE. I think anything is likely. The Senate has been adjourning or taking a recess at 3 or 4 o'clock in the afternoon because no Democratic Senator was ready to speak. Two hours yesterday were wasted in a tedious discussion about matters which never should have consumed the time of the Senate, but which should have been ventilated in committee. While I want to defer to the wishes and convenience of Senators having a desire to debate this question, I feel it to be my duty to keep the Senate in session, so far as I am able, and to keep the bill before the Senate, unless we can have some distinct understanding as to when this measure can come to a vote.

I have no assurance, if this request is modified, according to the suggestion of the Senator from Missouri, that we can hold a quorum in the evening. This great debate on the so-called emergency tariff bill has been listened to by about three Members of the Senate and one occupant of the correspondents' gallery. Does the Senator from Missouri expect a larger audience when he addresses the Senate?

Mr. REED. Mr. President, I shall have to take my chances upon an audience. Of course, I do not expect to change the views of the chairman of the committee; I perhaps shall not change the views of a single Member of the Senate; and it may be regarded as an utter nuisance that I say anything upon the bill; but, in so far as I am concerned, I intend to say some things, if not to the Senate, at least to the country, and I do not know whether the country will pay any attention to them or not.

Mr. PENROSE. They will not.

Mr. REED. The Senator may be correct about that; but that is not the question I am discussing. I am discussing the mere reservation of the right of any Senator who sees fit to present an amendment, and to discuss it after 3 o'clock, to have 5 or 10 minutes to call the attention of the Senate to the purpose of the amendment. I have seen amendments defeated when offered the reason for which did not appear until the last moment, and the Senator offering them and other Senators were barred from the opportunity to explain them to the Senate. That is the situation I have in mind.

I repeat, anything I may say may be utterly immaterial and be listened to neither by the country nor the Senate, but that is not the question I am discussing. There is plenty of time reserved under this proposed agreement to allow me to make the speech, which will be a weariness to the flesh of the chairman of the committee and everyone else, perhaps. I am entirely content with 3 o'clock on Wednesday, provided the right is reserved to a Senator offering an amendment to have at least five minutes to explain it to the Senate, and any other Senator ought to have the right, of course, to take the other side.

Mr. CURTIS. Mr. President, I suggest to the chairman of the committee that in order to reach an agreement we meet at 11 o'clock on Wednesday and apply the five minute rule at 12 o'clock. That would give from 12 to 3 for debate on amendments.

Mr. REED. If I understand the Senator, that means a modification of this proposed agreement so that after 12 o'clock on Wednesday no one shall speak more than five minutes, and that we shall vote at 3 o'clock.

Mr. CURTIS. That is the suggestion.

Mr. REED. Make it 10 minutes, and with that modification I shall agree to it.

Mr. PENROSE. Let the Secretary read the unanimous-consent agreement as modified.

The VICE PRESIDENT. The Secretary will read the agreement as modified.

The Assistant Secretary read as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that at not later than 3 o'clock p. m., on the calendar day of Wednesday, May 11, 1921, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenues; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, through the regular parliamentary stages to its final disposition; and that after the hour of 12 o'clock meridian, on said calendar day, no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto.

Mr. McCUMBER. I thought it was to be 10 minutes.

Mr. SIMMONS. Let it be made 10 minutes.

Mr. REED. Make it 10 minutes.

Mr. PENROSE. A much more preferable speech can be made in 5 than in 10 minutes.

Mr. REED. Mr. President, I know the impatience of the Senator from Pennsylvania to save the farmers of the country, and that 5 or 10 minutes difference in time will make a very great difference to him. However, I believe there ought to be enough time given for an intelligible explanation of any amendment which may be offered by a Senator. I am speaking of it now not only with reference to this measure but to the general situation.

Mr. PENROSE. The Senator prefers 10 minutes?

Mr. REED. I do.

Mr. PENROSE. If that will give the Senator a greater feeling of freedom, I will agree to it. I hope the Chair will put the question.

Mr. SIMMONS. The roll must be called.

Mr. PENROSE. The roll was called, and I thought that complied with the rule. However, I am not sure of it.

Mr. UNDERWOOD. I will state to the Senator that I think to make it entirely binding it will be safer to call the roll, because other legislative business was laid before the Senate, and the Senator from Illinois [Mr. McCORMICK] moved a conference. To make it entirely within the rule we had better have the roll called.

Mr. SIMMONS. The unanimous-consent request was submitted after the roll was called and not before.

The VICE PRESIDENT. The Secretary will call the roll.

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

Ball	Capper	Dillingham	Glass
Borah	Caraway	Elkins	Gooding
Broussard	Cummins	Fernald	Hale
Calder	Curtis	Fletcher	Harris
Harrison	McKellar	Phipps	Sutherland
Heflin	McKinley	Pittman	Swanson
Johnson	McLean	Poindexter	Trammell
Jones, N. Mex.	McNary	Ransdell	Underwood
Kellogg	Myers	Reed	Wadsworth
Kendrick	Nelson	Sheppard	Walsh, Mass.
Kenyon	New	Shortridge	Warren
Keyes	Nicholson	Simmons	Watson, Ind.
King	Norbeck	Smoot	Williams
Knox	Norris	Spencer	Willis
Ladd	Oddie	Stanfield	
La Follette	Overman	Stanley	
McCumber	Penrose	Sterling	

The VICE PRESIDENT. Sixty-four Senators having answered to their names, a quorum is present.

The Senator from Pennsylvania proposes the unanimous-consent agreement, which will be read.

The Assistant Secretary read as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that at not later than 3 o'clock p. m., on the calendar day of Wednesday, May 11, 1921, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenues; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, through the regular parliamentary stages to its final disposition; and that after the hour of 12 o'clock meridian, on said calendar day, no Senator shall speak more than once or longer than 10 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. PENROSE. Mr. President, I am informed that no Senator desires to address the Senate to-day on the pending measure, or any other measure, and I therefore move that the Senate take a recess until 12 o'clock to-morrow.

Mr. UNDERWOOD. I ask that the Senator withhold the motion a moment.

Mr. PENROSE. Very well; I withhold it.

Mr. HARRISON. Will the Senator not move an adjournment instead of a recess until to-morrow?

Mr. PENROSE. Does the Senator prefer an adjournment?

Mr. HARRISON. I prefer an adjournment.

Mr. PENROSE. If we adjourn, it means that we shall stay here later in the day to-morrow.

Mr. HARRISON. That may be; but to-morrow there will be before the Senate a resolution I served notice that I would call up at the first opportunity, and under the rule I can not call up the resolution to-morrow unless we take an adjournment.

Mr. PENROSE. I shall move an adjournment, but I will withhold it until after a brief executive session for action on certain nominations.

Mr. HARRISON. Very well.

EXECUTIVE SESSION.

Mr. PENROSE. 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. After 10 minutes spent in executive session the doors were reopened, and (at 4 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Saturday, May 7, 1921, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 6 (legislative day of May 4), 1921.

APPRAISER OF MERCHANDISE.

Samuel W. George, of Haverhill, Mass., to be appraiser of merchandise in customs collection district No. 4, with headquarters at Boston, in place of Joseph T. Lyons.

COLLECTOR OF CUSTOMS.

Willfred W. Lufkin, of Essex, Mass., to be collector of customs for customs collection district No. 4, with headquarters at Boston, in place of Edmund Billings.

COLLECTORS OF INTERNAL REVENUE.

DISTRICT OF KENTUCKY.

Robert H. Lucas, of Louisville, Ky., to be collector of internal revenue for the district of Kentucky, in place of Elwood Hamilton.

DISTRICT OF MINNESOTA.

Levi M. Willcuts, of Duluth, Minn., to be collector of internal revenue for the district of Minnesota, in place of Edward J. Lynch.

this year in order that they may raise a crop, and in the fall they will be able to meet their delinquencies which have accrued this spring.

Mr. CURTIS. I understand that it is wholly within the discretion of the Secretary of the Interior and is limited to this year. Is not that true?

Mr. McNARY. That is it exactly. It does not cancel any indebtedness to the United States, but simply gives the water users an opportunity to raise their crops this year. The water is available; it has been impounded——

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

Mr. McNARY. Certainly.

Mr. NORRIS. I should like to say to any Senator who may feel inclined to question the wisdom of this measure that, in the first place, it does not forgive any debt. The farmers on the new irrigation districts, like all other farmers, have had to meet a great loss. A few of them, and it does not apply to very many compared to the whole number, have been unable to pay under the law for the use of water.

It does not cost the Government anything. The Government simply postpones the payment of the debt until they can move the crops they have or until they can raise another crop. The water is there just the same, and if we do not let them use it, it will go to waste. So there can be, it seems to me, no question whatever, under all the circumstances, that the authority ought to be given to the Secretary to extend the time of payment. That is about all the joint resolution means.

Mr. McNARY. I tried to say as much of the distinguished Senator from Nebraska has said. In concluding I wish to state that this is the first time in the 18 years in which the irrigation has been practiced by the Federal Government in cooperation with the States where a similar request has been made. These projects have shown their ability to take care of all their charges, but on account of the peculiar situation which obtains throughout the country by reason of the dislocation of business it is necessary to enact this piece of emergency legislation.

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

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

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

By Mr. ODDIE:

A bill (S. 1646) granting a pension to Mattie Gillock;

A bill (S. 1647) granting a pension to Thomas W. Bath; and

A bill (S. 1648) granting a pension to C. M. Peters; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 1649) to provide for the disposal of certain waste and drainage water from the Rio Grande project, New Mexico-Texas; to the Committee on Irrigation and Reclamation.

A bill (S. 1650) for the relief of Sam E. Harwell; and

A bill (S. 1651) for the relief of Prairie View State Normal and Industrial College, Prairie View, Tex. (with accompanying papers); to the Committee on Claims.

By Mr. McKINLEY:

A bill (S. 1652) to provide for the purchase of a site and the erection of a public building at Bloomington, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. HARRIS:

A bill (S. 1653) providing for the appointment of an additional judge for the northern and southern districts of Georgia; to the Committee on the Judiciary.

By Mr. ROBINSON:

A bill (S. 1654) for the relief of Walter L. Whitty; to the Committee on Military Affairs.

By Mr. CARAWAY:

A bill (S. 1655) for the relief of Orin Thornton; to the Committee on Military Affairs.

A bill (S. 1656) for the relief of Grover A. Bailey; to the Committee on Claims.

By Mr. SPENCER:

A bill (S. 1657) granting a pension to Ella Kaefler Taussig; to the Committee on Pensions.

A bill (S. 1658) to correct the military record of the officers and enlisted men of the Enrolled Missouri Militia and all other militia organizations of the State of Missouri that cooperated with the military forces of the United States in suppressing the War of the Rebellion who served 90 days or more; to the Committee on Military Affairs.

By Mr. WARREN:

A bill (S. 1659) authorizing the acquirement of a site and the construction of a building for a post office at Lovell, Wyo.;

A bill (S. 1660) authorizing the acquirement of a site and the construction of a building for a post office at Greybull, Wyo.;

A bill (S. 1661) authorizing the acquirement of a site and the construction of a building for a post office at Kemmerer, Wyo.;

A bill (S. 1662) authorizing the acquirement of a site and the construction of a building for a post office at Wheatland, Wyo.;

A bill (S. 1663) to increase the limit of cost of the public building at Buffalo, Wyo.;

A bill (S. 1664) to increase the limit of cost of the public building at Cody, Wyo.;

A bill (S. 1665) to provide for the erection of a public building at Green River, Wyo.; and

A bill (S. 1666) authorizing the acquirement of a site and the construction of a building for a post office at Powell, Wyo.; to the Committee on Public Buildings and Grounds.

By Mr. McKELLAR:

A bill (S. 1667) authorizing the Secretary of War to donate to the town of Waverly, Tenn., one German cannon or fieldpiece; and

A bill (S. 1668) authorizing the Secretary of War to deliver to the town of McMinnville, Tenn., two condemned bronze or brass cannons or fieldpieces and suitable outfit of cannon balls; to the Committee on Military Affairs.

By Mr. SMOOT:

A bill (S. 1669) to establish in the Treasury Department a veterans' bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act; to the Committee on Finance.

AMENDMENT TO EMERGENCY TARIFF BILL.

Mr. ASHURST. Mr. President, I wish to offer an amendment to the emergency tariff bill. On page 3, line 15, I move to amend by striking out the numeral "7" and inserting in lieu thereof "20," so as to read:

Cotton having a staple of 1⅛ inches or more in length, 20 cents per pound.

I shall avail myself of an early opportunity to submit some observations upon the subject. While it is very important and there is a vast deal of data on the matter I believe I can cover it in 10 minutes. I shall crave the indulgence of the Senate for 10 minutes on Monday to explain the amendment.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

CAPT. EDMUND G. CHAMBERLAIN.

Mr. SHEPPARD submitted the following resolution (S. Res. 70), which was referred to the Committee on Naval Affairs:

Resolved, That the Committee on Naval Affairs is authorized and directed to investigate the facts leading to the court-martial as well as the court-martial proceedings, and all the findings in the case of former Capt. Edmund G. Chamberlain, United States Marine Corps, and report to Congress.

HEARINGS BEFORE INTEROCEANIC CANALS COMMITTEE.

Mr. BORAH submitted the following resolution (S. Res. 71), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Interoceanic Canals, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-seventh Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding $1.25 per printed page, 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.

AMENDMENT OF THE RULES.

Mr. McLEAN submitted the following resolution (S. Res. 72), which was referred to the Committee on Rules:

Resolved, That Rule XIV of the Standing Rules of the Senate be amended by adding thereto a new paragraph, as follows:

"6. Every bill and joint resolution which seeks to amend an existing law shall, when offered, definitely state the changes and additions proposed, and the law as it will read when amended."

EMERGENCY TARIFF.

Mr. HARRISON addressed the Senate. After having spoken for some time,

Mr. CURTIS. Mr. President, the morning hour having expired, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER (Mr. McNARY in the chair). The Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate com-

merce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole, and the Senator from Mississippi will proceed.

Mr. HARRISON. Mr. President, I had intended this morning to take up and move the present consideration of the resolution heretofore submitted by me proposing to change the rules of the Senate by providing for open executive sessions of the Senate for the consideration of treaties and presidential nominations. The senior Senator from Massachusetts [Mr. LODGE], the leader of the majority, however, expressed a desire to be here when that resolution is taken up and to express himself in opposition to it. He is unable to be here this morning, and, consequently, I shall not press the resolution at this time. I am going to avail myself of this opportunity, however, to discuss the bill pending before the Senate, namely, the emergency tariff bill.

Of course, all one need do is to look at the empty seats upon the other side of the aisle to be convinced of the lack of interest upon the part of Republican Senators in considering the proposed so-called emergency tariff legislation.

Mr. CURTIS. Mr. President——

Mr. HARRISON. I yield to the Senator from Kansas.

Mr. CURTIS. I think the Senator ought to make a remark concerning empty seats applicable to both sides of the Senate Chamber this morning. The fact is, however, that the Committee on Finance is in session and members of that committee are in attendance upon it. Had there been a roll call I should have stated that fact. The Committee on Commerce is also in session, and members of that committee are in attendance there.

Mr. HARRISON. Yes; and Democratic Senators are on the Finance and Commerce Committees as well as Republican Senators.

Mr. CURTIS. And they are in attendance upon committees, too.

Mr. HARRISON. It is quite true that, since the gag rule was adopted by the majority of taking so many more places on the committees than are accorded to the minority, the Republicans have many more Senators, of course, on the committees than we have; but, just scanning the Chamber, the number of Democratic Senators present is greatly from two to ten times greater than the number of Republican Senators.

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

Mr. HARRISON. Yes; I yield to the Senator.

Mr. NORRIS. I join with the Senator in regretting the absence of so many Senators from the Chamber, but he will count the Senators present in the Chamber at this moment he will find that there are several more Republicans here than there are Democrats.

Mr. HARRISON. The Senator can not count; that is why he makes that statement.

Mr. NORRIS. Then, Mr. President, let me ask the Senator to count them himself. If he wants the RECORD show the truth and if he wants the people to believe the statement he has made, let him count the Senators present. He is educated; he is a mathematician; he knows how to count. I suggest that he count aloud and let the RECORD show the number on either side.

Mr. ASHURST. There are more Democrats present than Republicans, by three or four times, I think.

Mr. HARRISON. Of course, after the Senator from Kansas made his statement and word was sent out into the Republican cloakroom the number on the other side has been augmented. [Laughter.]

Mr. NORRIS. Now, if the Senator will make another count, he will find the Republican Senators considerably the majority.

Mr. ROBINSON. If the Senator from Mississippi will yield to me, I call attention to the fact that a large number of Republican Senators are rushing into the Chamber.

Mr. NORRIS. If the Senator will count the Democratic Senators that came in out of the cloakroom, he will find that there are more Democrats who came in than there were Republicans.

Mr. ROBINSON. Will the Senator from Mississippi yield?

Mr. HARRISON. I yield to the Senator from Arkansas.

Mr. ROBINSON. I note the statement of the Senator from Nebraska to my astonishment, for a larger number of Senators on the other side than on this side came rushing into the Chamber.

Mr. NORRIS. I observe that the Senator from Arkansas came in.

The VICE PRESIDENT. Senators will address the Chair.

Mr. ROBINSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. HARRISON. I yield to the Senator.

Mr. ROBINSON. The Senator from Nebraska might have observed me retiring from the Chamber to attend a meeting of a committee.

Mr. NORRIS. Will the Senator from Mississippi now yield to me before the Senator from Arkansas goes out?

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

Mr. HARRISON. I yield to the Senator.

Mr. NORRIS. I will ask the Senator from Arkansas if he is not one of the Democratic Senators who just came in from the cloakroom?

Mr. ROBINSON. I was just attending an informal meeting of the subcommittee which the Senator from Nebraska appointed to make an investigation into the condition of the rice industry, and I started to return to an informal meeting of that subcommittee, if I may do so, with the permission of the Senator from Nebraska, while he continues his very illuminating and valuable remarks.

Mr. NORRIS. The Senator has not answered my question.

Mr. President, if the Senator from Mississippi will yield further——

Mr. HARRISON. I yield for a question.

Mr. NORRIS. I want to say to the Senator that at the time the Senator first made his allusion to empty seats and between the time he made the allusion and now there were more Republican Senators in the Chamber than there were Democratic Senators, and the Senator who interrupted me and has gone out again was one of the Senators who came in from the Democratic cloakroom.

Mr. HARRISON. Of course there should be many more Republicans here than Democrats.

Mr. NORRIS. Of course, and that is the reason why they are here.

Mr. HARRISON. I am glad to have seen so many rush in from the cloakroom when they heard sounded the clarion note, and I hope that more will come in from time to time as we lay bare the iniquities of the pending tariff proposal that is projected upon the Senate. Especially do I hope that the new Senators who became Members of the Senate on the 4th of March will stay here so that we may discuss the subject to some extent.

Mr. BORAH. Mr. President——

Mr. HARRISON. I yield to the Senator from Idaho.

Mr. BORAH. Do I understand the Senator is going to proceed with his discussion?

Mr. HARRISON. I am going to proceed with the discussion of the emergency tariff bill.

Mr. BORAH. Then the Senator is not going to discuss his resolution.

Mr. HARRISON. I made the statement immediately before the Senator came in that I intended to call up my resolution proposing to amend the rules, but the senior Senator from Massachusetts [Mr. LODGE] expressed a desire to be here and to oppose it, and word has come to me that the Senator from Massachusetts can not be present this morning, as he is not well. Therefore, I did not feel justified in pressing the motion in his absence. That is the only reason why I have not pressed it this morning. Is there something else the Senator desires to say?

Mr. BORAH. No. I was simply going to conduct myself according to which subject was before the Senate.

Mr. HARRISON. I understand.

Mr. President, it is a remarkable bill that is now before us and a most interesting debate is taking place in connection with its consideration. I do not know whether or not this measure has any champions among the majority members of the Senate. I read in this morning's paper a very illuminating statement issued by the chairman of the Finance Committee, who has made one of the two speeches that have been made by the majority on the pending bill.

As I remarked yesterday, I congratulate the majority side for their silence on this measure, because the more they discuss the bill and try to defend its provisions the more will the country condemn them for attempting to pass it. It should be silently ushered through, if possible. Your action reminds me of a funeral, anyway. It may be that this marks the death knell of the Republican Party. The statement of the senior Senator from Pennsylvania [Mr. PENROSE], prepared by him

and issued to the country on yesterday and appearing in the morning papers, I now read. This is from the New York World. The Senator from Pennsylvania says:

My own opinion is that the American people are just now more concerned in getting revenues revised and taxes reduced and the sheriff retired to the background than they are in academic discussions of disarmament. They want a restoration of prosperity.

That is a remarkable statement to be made by one of the leaders of the Republican Party, and especially by the chairman of the committee that reported out this proposed legislation and who is one of the two champions or advocates of the measure upon the floor of the Senate, for the measure contradicts in every word, in every line, and in every clause the statement issued and the wish therein expressed by the chairman of the Committee on Finance. He says that the people are interested in having taxes revised and the burden of taxation reduced to them. This bill proposes to increase the taxes upon the people. How do Senators on the other side expect the country to have any confidence in their action when the chairman of the Committee speaks for this bill one day and the next utters such a statement to the people as that to which I have referred?

But such expressions are not confined to the distinguished chairman of the Committee on Finance. The pending emergency tariff bill was reported out of the Ways and Means Committee of the other House by Representative YOUNG, of North Dakota. In the last session it was presented by Representative KELLEY, of Michigan, a most charming and estimable gentleman, a man for whom I have the very highest respect, and associated with whom is really most bewitching; but he has always advocated the highest kind of protection on everything. Indeed, has been his proud boast that protection can not be put high enough to suit him. So it was Mr. FORDNEY who introduced the bill at the last Congress and handled it upon the floor of the other House. However, by some strange legerdemain, at which the present Republican leadership are past masters, the bill was changed. That organization in the House took the bill away from Mr. FORDNEY and evidently said to Representative YOUNG, who comes from a farming State, "Let this measure go in your name."

However, mind you, that was not done until March of this year. Mr. YOUNG is on the Ways and Means Committee of the House. Here is a statement that he issued to the country on January 14 of this year, just a few weeks before he reported this bill. I do not know whether or not he was given membership of the bill in order to soothe his apparently ruffled feelings and bring him back into line. I know what adepts the Republicans are, both in the other House and in the Senate, in smoothing out the differences within their party and bringing all kinds of elements together within the organization. They will stoop to unfathomable depths to accomplish that. However, here is what Representative YOUNG, the author of the pending bill, said to the American people in January:

It is time somebody put on the brakes. Here and now I give notice I shall oppose any such duties as these witnesses are asking.

The witnesses to whom he referred were asking for high duties.

They are pleading, with crocodile tears in their eyes, for import duties ranging from 100 per cent to 400 per cent above the Payne-Aldrich rates. I am going to fight with all the power at my command against this penalization of the consumer. The war is over, and the consuming public is asking why these prices also are not gone.

So says the author of this bill. He continued:

If we grant the rates most of these interests are seeking we will simply be licensing a continuation of profiteering, filling the pockets of the manufacturer, who gets the protection, with the involuntary contributions of the consumer.

So there is the author of the bill in the other House saying that the consumer must be considered; that he will oppose with all the power that he possesses increased tariff rates from 100 to 400 per cent; and then we see the strange diplomatic performance of Mr. YOUNG introducing this bill at the instance of the Republican organization in the House and championing it, when every construction of it will impose additional burdens on the consuming millions of 100 to 1,000 per cent.

Strange ways you have of bringing your Republican brethren into line! You employ flattery or give a little sugar of protection, so that deception might be practiced upon the constituencies. And then the chairman of the committee of the House [Mr. PENROSE], as I have just stated, gives a statement to the country last night saying that taxes upon the consumers must be reduced!

What must the American people believe? How can you the right to ask them to have any confidence in you, when the author in the House and the Senator in charge of the measure in the Senate talk about reducing taxation, when in every page of the bill you propose to increase the taxes upon the people?

Here is what Mr. FORDNEY, then in charge of the bill, said at the last session of the Congress. He was not going to offer this measure this session. In his speech, he said:

This bill is intended only as a relief measure, an immediate relief measure. I hope at the extra session of Congress, which will undoubtedly be called very shortly after the 4th of March, to see the Congress substitute for this bill a relief measure to remain in effect while we are preparing and passing a scientific revision of our tariff laws. As I say, it is my hope that very shortly after the beginning of the extra session of Congress the Congress will adopt as a relief measure, to prevent great importations of foreign goods coming into this country before we can prepare a tariff bill, either the Payne or the Dingley tariff law as such relief measure.

He advocated not this legislation being introduced again and burdening the American people by its provisions but, as high a protectionist as he was—having boasted, as I say, that you could not get a tariff wall too high for him—he said that he believed we should pass as an emergency measure the rates in the Payne law or in the Dingley law until a scientific revision of the tariff could be considered and placed upon the statute books.

And so it is, Mr. President. Strange changes have taken place; but it is in keeping with the majority party leadership—changing not only on tariff measures but changing in foreign affairs every day.

Why, that suggestion brings to my mind the fact that here the other day we saw the Senate of the United States pass a resolution providing for a separate peace with Germany, deserting the Allies, with whom our boys fought side by side so gloriously—offering practically an insult to them—and then about the next day we see the United States tendering its good offices as a mediator to settle differences between Germany and the Allies—aye, between our enemy and our friends—acting, so to speak, as the compromise "fellow"; and then we see extended to us by the allied nations an invitation to join them in their council and on the Reparations Commission. Why, Mr. President, in view of our inglorious action one can hardly believe they offered it to us as a compliment. It was a left-handed international jab, a soft insult. It was rubbing it in on us to extend that invitation after we had deserted them by passing a joint resolution providing for a separate peace; and yet the Republican leadership of the present administration did not accept it in that spirit. They thought we were being complimented. They accepted it, and the morning papers tell us that President Harding has sent as his personal representative the new ambassador to the Court of St. James, a man who has criticized and condemned practically every policy of the last administration for six years. But it is amusing after your torrents of criticism—amounting almost to abuse—of the foreign policies of President Wilson and the last administration to see you now hour by hour accepting them as wise and necessary. Oh, you are out looking for the footprints of your predecessors, so that the shoes that are worn by those who now control the affairs of the Government can be placed in them. I am afraid you will find in a little while difficulty in finding a shoe large enough to fill it. But I am glad to see you opening your eyes and appreciating the position and the conditions that are confronting this country. It is, however, worse than an insult to them for the President to send there as its personal representative one whose views have conflicted so constantly with those of the Allies and who has so often criticized and, I might say, insulted the representatives of these nations. He is, of course, a most undesirable person to send and can not and will not represent the ideals of America.

Mr. NEW. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Indiana?

Mr. HARRISON. I yield to the Senator.

Mr. NEW. If it will afford any relief to the distress of the Senator from Mississippi over that proposition, I should like to call his attention to a London dispatch of this morning which appears in the papers carrying the Associated Press reports, in which it speaks of a banquet held in London yesterday, at which Mr. Colby, the Secretary of State under the Wilson administration, spoke in most complimentary terms of the gentleman to whom the Senator has just made reference and against whom he directed a very caustic speech the other day. He spoke of him in the highest terms. He referred to the new American ambassador as "an accomplished and cultivated gentleman."

Mr. HARRISON. Yes; I read that.

Mr. NEW. I thought it might afford the Senator's ruffled feelings some relief.

Mr. HARRISON. I read that this morning—that Bainbridge Colby, in speaking to some Britishers, had said that this man was a very accomplished and—he did not say "most suited and well fitted," I think; what was the other expression?

Mr. NEW. I quoted it with accuracy—"an acc[illegible]plished and cultivated gentleman."

Mr. HARRISON. Yes; "accomplished and cultivated gentleman."

Mr. STANLEY. Mr. President——

The VICE PRESIDENT. Does the Senator fro[illegible] Mississippi yield to the Senator from Kentucky?

Mr. HARRISON. One moment. That kind of [illegible] compliment reminds me, Mr. President, if the Senator from I[illegible]iana should be told of the beauty and charm and attractive[illegible]s of some estimable lady, and he should speak of her charm[illegible] in response and say, "Yes; she is a nice girl," I fear she w[illegible]d accept it only as a mild compliment; and so the most th[illegible] Bainbridge Colby could say about this gentleman who has b[illegible] designated to represent us in the high Court of St. James is t[illegible]e is "an accomplished and cultivated gentleman." No one [illegible] ever said he was not accomplished. None has ever remarke[illegible]t he was not cultivated. His being a gentleman has not b[illegible]estioned.

Mr. STANLEY. Mr. President, if I may ask b[illegible] Senators a question, could it not be said of Lord Chesterfi[illegible]d Aaron Burr alike that they were cultivated and accom[illegible]d? And if you will excuse treason, perfidy, or ingrati[illegible], you may apply to all three the term "gentleman."

Mr. HARRISON. The Senator is right. So t[illegible]ave been constant changes. Why, there was a change up[illegible] part of the administration touching the Colombian treat[illegible]here will be soon a change about the League of Nations. [illegible]ourse, we did not know exactly what you were going to C[illegible]hing the League of Nations from utterances in the last [illegible]ign, but you will gradually come to it. I am glad to see [illegible] the new Secretary of State is leading the Republican P[illegible]ack "to normalcy," so that we will arrive at a state of n[illegible]y on the League of Nations proposition. Of course, when [illegible]one, it is going to arouse the ire of the distinguished Sena[illegible]om California [Mr. JOHNSON] and the distinguished Senat[illegible]m Idaho [Mr. BORAH] and those irreconcilables in this [illegible]try who allowed themselves to be deceived in the last can[illegible], but all of that will adjust itself. They, as well as the co[illegible], in time will appreciate its necessity. The sentiment in [illegible]ountry is growing stronger day by day, and it will grow [illegible]er, until finally the present administration will be forced to [illegible]t almost in detail what the past administration has done in [illegible]nduct of our foreign affairs.

It would have been impossible for you to have [illegible]ed front on more propositions and to have realized the v[illegible]n of the policies of President Wilson in so short a time [illegible]han you have. As suggested by the Senator from Ohio [M[illegible]IRENE], the present President has notified the Senate to h[illegible]nds off, so you must. Of course, you know there must be [illegible]Executive encroachments. You can not break with him. Y[illegible]ust just let him have his way, and then you will come bac[illegible]hat you did a year or so ago, when all of you over there[illegible]ot about 12, were for the ratification of the treaty with son[illegible]rvations and some amendments. You will come to that [illegible] a little while.

Mr. President, the distinguished chairman of t[illegible]mmittee, the Senator from Pennsylvania [Mr. PENROSE], [illegible]peaking the other day, said that the other side of the C[illegible]er could not accept any amendments to this bill. He s[illegible] "We will not stand for it. If we do, it will degenerate [illegible] general tariff bill." If the general tariff bill that is to [illegible]ered by you and fastened upon the country is going to [illegible]se than this, then the Lord knows what will be left [illegible] people when you get through with them. "Degenerate [illegible] general Republican tariff bill!" And so you know, Senat[illegible]ou have the word of the chairman of the Finance Comm[illegible] that no amendments will be considered. You must take [illegible]bill just as it is prepared for you. Employing the same g[illegible] tactics that has always blighted the history of the Repu[illegible] Party.

But here are the real views of the Senator from [illegible]nsylvania on this measure. I read from the Protectionist, [illegible]ublican organ, of February, 1921. Here is what it says:

PENROSE CHANGES FRONT.

The bill had hardly reached the Senate when the ann[illegible]ent came over from Philadelphia that Senator Penrose, chairm[illegible]he Committee on Finance, would run over to Washington for [illegible]rpose of opposing it.

You read it in the papers. It was flashed in [illegible]eadlines everywhere that it was not satisfactory to Sena[illegible]ENROSE; and the article goes further, and says:

He came in a special car, with nurses accompanyi[illegible]him, and opened headquarters in Wardman Park Inn, the largest [illegible]otel in the city. On the day the hearings began, Senator PENROS[illegible]ct Congress by the ears with the declaration that he would give the measure his support. Politics unquestionably influenced this remark[illegible]le decision. The Senator desired first to keep peace in the Republic[illegible] Party, as FORDNEY had wisely done in the House.

It may be that the way Mr. FORDNEY did it over there was to retire from the authorship of the bill and allow Mr. YOUNG, who had denounced high tariffs and espoused a reduction in the high cost of living, to become the author of the bill. The article continues:

Besides, he desired to hold in line for the next tariff bill the low tariff Republicans and the Democrats who are inclined to support this one. The Pennsylvania Senator knew, moreover, that the bill would stand little chance of enactment, and he was therefore the more willing to give it nominal support.

Yet one of the two speeches that has been made by the proponents of this legislation was made by the chairman of the committee, who at first opposed the bill, and came to Washington on a special train to exert his powerful influence against the measure.

Mr. President, the Washington Post is a splendid newspaper, a newspaper of powerful influence, considered now and has been since March 4, as the administration paper—the paper that represents the views of the administration on public questions that arise. Here is what that paper said about this bill in an editorial in January this year:

The truth is, the more this proposal is discussed, the weaker it becomes, for discussion emphasizes that it is an example of favoritism, that it is a movement tending to keep up the prices of necessaries of life in order that the producers may be saved from financial loss.

Yet that paper which condemned the bill in such terms in those days, has since the 4th of March, in its editorials, come to espouse the passage of the emergency tariff bill. It is now a wise, a great constructive piece of legislation. So it looks as if there has been a complete change all around over there. How do you expect the country to be able to keep up with you, and your newspapers in your vacillating policies and your constant legislative and administrative acrobatic performances?

The Senator from North Dakota [Mr. MCCUMBER] has been faithful to the bill. He has remained by it from the beginning. Of course, he had to discuss the provision relating to wheat, because that affected him and his constituents more than any other proposition in the bill. But he was ready at all times to defend the wheat schedule in this bill, and has sponsored the proposition. Yet about 3 o'clock yesterday, when no one was here to speak, and you were going to press it for passage, and we asked you if no one on that side would defend the provisions of it, you heard what he said, that "We are not going to discuss it over here," meaning that the word had been sent down the line to Republicans to keep quiet, not to attempt to defend the provisions of this bill. He said in defense of that assertion that the agricultural rates of the bill had been sufficiently discussed at the last session, and alluded to the fact that I had discussed it pretty fully at that time. I am glad I did.

But he overlooked the fact that certain States in this country have a right to be heard through their Representatives in the United States Senate, that the men who are sent here by those States can not be bound hand and foot and gagged, even though they belong to the majority party; that they are not expected to follow the instructions of Republican leadership at all times, and remain quiet when the interests of their respective States are at stake.

He overlooked the fact that there are 17 new Members of the Senate here to-day, with as much right to express themselves touching legislation, to take care of their constituents by vote and voice, as those who have been here many years. Seventeen new Senators are in this body, and now part and parcel of it, who were not here when this bill was discussed at the last session. Yet the Senator from North Dakota [Mr. MCCUMBER] said that these distinguished men are expected to take the hook as handed to them and swallow it, without even being told some of the defenses of the measure, which they might take back to their people in explanation of their action.

So, Mr. President, I am not talking to those hardened sinners—of course, I am speaking about political sinners—who were here at the last session, because I know that no amount of logic, no appeal, could be made strong enough to melt their stone hearts. But I want to make my appeal to the distinguished Senators who were not here at that time.

I appeal to the new Senator from New Mexico [Mr. BURSUM]. He was not here then. Of course, he has not expressed himself touching this bill; neither have the Republican leadership told him or expressed anything which he might take back to his people as an excuse for voting for this infamous piece of legislation.

I appeal to the new Senator from Arizona [Mr. CAMERON], who was not here last session.

The new Senator from Kentucky [Mr. ERNST] was not here.

I believe the new Senator from Idaho [Mr. GOODING] came in just in time to vote upon the iniquitous proposition. But he was not permitted to hear the discussion of the bill, because at

that time he had not arrived. He is entitled to hear some explanation upon the part of the Republican leadership of the provisions and of the character of this bill.

The new Senator from Oklahoma [Mr. HA...LD] was not here.

The new Senator from North Dakota [Mr. LA...] did not hear the discussion at that time.

The new Senator from Illinois [Mr. McKINLEY] was not here.

The new Senator from Colorado [Mr. NIC...SON] was not here. Did the people in the great State of Colo... to expect him to come here and, by bowing to gag rule, accept everything the Republican leadership handed to him? If he f... that policy, then, sir, mark the day, because it will not be ...ff, when the progressive electorate of Colorado will rise ...d condemn that policy. They would not approve—ind... ...ey had not heard the slogan of the Republican majority ... Senate, as expressed by the senior Senator from Connec... Mr. BRANDEGEE] when he said:

The steam roller is prepared and ready, so get ... the way.

I do not see in the Senate Chamber now the ... Senator from South Dakota [Mr. NORBECK]. He was not ... then. Perhaps, too, the Senator from North Dakota ..., McCUMBER] thinks that all he has to do is to tell his ...ue from the sister State just to the south of his, "You ... ...s way. You need no explanation from me, but you vote t... ...y. The word has gone out from PENROSE down, and h... ...n accepted." Perhaps the Senator from North Dakota [Mr. ...MBER] knows exactly what the Senator from South Dak... [Mr. NORBECK] will do under those circumstances. But I ... ...e will resent such reflections upon the independence of his ...

Then there is the new Senator from Neva... [Mr. ODDIE]. It was not his pleasure to be here when all the ...ices that are written in the pages of this bill, which place ...onal burdens on the consuming masses, were discussed. H... ...ere now. He is entitled, and his people are entitled, to kn... ...reasons why an attempt is made to force this measure ... them. If I were he, I would rise up and say to the Re... ...n leadership, "I want you to show me before you can g... ...and vote me for this proposition."

Then there is the new Senator from Cali... [Mr. SHORTRIDGE]. He was not here at that time. W... ...he had told the people of California when he was a ca... ...e before that progressive citizenship that he would allow ...actionary Republican leadership to compel him, without ...sion, to accept this bill as prepared by them, without exp... ...n or justification? Do you believe he could then have ...he victory he did in that progressive Commonwealth?

Then there is the new Senator from Ore... [Mr. STANFIELD]. He was not here at that time, and he is told ... distinguished Senator in charge of this legislation that h... ... to accept this proposition. He is told, more than that, "... ...o amendments will be considered."

Then there is the new Senator from Mar... [Mr. WELLER] and the new Senator from Ohio [Mr. WILL... ...ll of these distinguished new Senators are forced to ac... ...his proposition and told that no amendment will be consid... ... that they must take it just as it is prepared for them. If ... ...e a member of that party over there, I would not stand ... ...ag-rule tactics. I would rise up in revolt and insurge, ev... ... for only a few minutes, and break away from the bon... ... parliamentary slavery with which this reactionary crow... ... trying to bind the new organization of this body. But, ..., the longer you stay here the wiser you will become, and ... will eventually lose confidence in the crowd who prepar... ...s bill and now propose to gag you by compelling you wi... ... explanation to support it.

Mr. President, let me bring back to the a... ...n of the Senate the years from 1912 to 1919. It was a gr... ...iod. It is good to think about it. It was a time when c... ...ntry blossomed in prosperity like the rose. As the distin... ...d Senator from Iowa [Mr. CUMMINS] knows, the railroad... ...ot have enough freight cars to carry the wheat and t... ...n from the far western country to the market. The Re... ...atives from his section were vying and competing with the ...esentatives from my section and from the East before the ...state Commerce Commission to procure additional cars, ...t the products of the farms and the output of the facto... ...s could find their way over the railroads to market.

Wages were higher. Farmers were receiving higher prices for their products, and business men great... profits than ever before in the history of the country. Ne... farms were being cultivated; new fields were being opened u... Labor was thoroughly contented and happy. The tired workmen could leave their places of employment and go home in the afternoon in perfect happiness and bask in the associ...tion of their wives and little ones. All of this was made possible by the wholesome legislation passed by the Democratic administration. There was prosperity and contentment in those days. There were no men out of employment. Employers were standing in line.

It is good to think about it. It was a time when every avenue of approach to the markets of the world was cleared, when every channel through which our trade and commerce might flow was opened up. Hundreds of agents from the various departments of the Government were sent into every foreign field to study trade conditions and to advise the industrial, commercial, and agricultural interests of America of the opportunities offered.

Every policy upon the part of the Government was adopted with a view to building up our export trade. Commercial agents were provided for by law. Commercial attachés were stationed at all our consular stations, as well as elsewhere throughout the world. National banks were permitted by law and encouraged to locate branch banks in foreign countries. Our great corporations, under the sanction of the war, were permitted to coordinate and to cooperate in order to obtain trade in foreign countries. Our merchant marine was given the greatest encouragement and millions of increased tonnage was provided that the products from our farms and factories sold to foreign purchasers might not be dependent for delivery upon foreign carriers. American diplomacy was lifted to a high standard and instructions went out to all our foreign representatives to perform every act that might bring the nations of the world into closer trade relations with us.

Why, sirs, it was during this period that our exports increased from 1912 to 1920 approximately $6,000,000,000. It was a period when the farmers received higher prices for their products, working men and women higher wages for their labor, and business men greater profits on their investments than ever before in the history of America.

Why, sirs, during that period not only did the farmers increase their deposits in the banks, but they opened up new fields and added to their wealth through enormous increased valuation of their farms. Labor was never more employed, contented, and happy. Not only was he permitted during that period to receive such wages that he could in many instances lay some aside "for a rainy day," so to speak, but he was enabled under the wholesome and beneficent legislation passed by the party then controlling the Government, because of shorter hours of employment, to spend more time in his home with his wife and children.

Why, sirs, during that period the hum of prosperity from every mill and factory could be heard from one end of the country to the other and the red flare from our furnaces lighted every corner of the heavens. Bank resources increased by the billions and the wealth of the resources of America reached a figure of which the wildest optimist never dreamed.

Thousands of employers stood in line awaiting their turn at the offices of employment bureaus to procure labor.

The representatives in this Chamber and in the House from the West and East, the North and South, were daily competing with each other in making appeals to the Interstate Commerce Commission for additional cars that the products of their respective sections might be transported to market.

Why, sirs, during that period the country was basking in such a whirlpool of prosperity that a propaganda was set on foot to restrain such enormous profits from being made and so much wealth being accumulated.

But how different it is now. Beggars at almost every door. Tramps riding the blind baggage on every railroad train. Five million persons out of employment and unable to feed and clothe themselves and families. Wages in every calling have been cut and the cost of the necessaries of life still high. Hundreds of mills and factories closed, shopkeepers going into bankruptcy, banks failing, and thousands upon thousands of empty box cars lying idle on sidetracks throughout the country. Our export trade is falling off, our ships are lying idle, the warehouses in every section are filled with the products of farm and factory, without value and no market in which to sell them. The present presents a dark and gloomy day to this once prosperous and contented people. And why is it? The answer is easy. In November, 1918, the prejudice of the majority of the American people was aroused because Republican leadership made them believe that President Wilson went too far in his appeal to the country for the election of a Democratic Congress. In that appeal he told the American people that in the great work of reconstruction following the war that he felt sure a Democratic House of Representatives and a Democratic Senate would cooperate with him, and that he would be able to carry out his policies to the best interests of the country. His appeal fell upon deaf ears and a Republican House of Representatives and a Republican Senate were inducted into office to criticize, hamper,

and embarrass him from the first day they took contr to the last minute he left the White House. Every appeal he ade to the Republican Congress in 1919 to meet conditions they arose was turned down, and from the time he and his p y met defeat in the congressional campaign in 1918 a well-o ized and adroitly conducted propaganda of misrepresentat and faultfinding was carried on from one part of the countr to the other. In the next campaign—the one of 1920—in a paign literature, campaign speeches, and their campaign book they promised the people if they would give them con con- trol of the Government they would make the tax burd ter and reduce the high cost of living.

The high cost of living argument and promises m ore votes for your candidates and did more to defeat the D atic Party in November than any other one proposition you advocated. And yet, with these promises still fres our minds and ringing in the ears of the electorate, the irst bill that your party forces through Congress as a p the legislative program, in December of last year, was t ease the high cost of living as carried in this legislation.

You say that you are trying to help the farmers by sing these additional and increased tariff rates. Then, our theory is correct, that these increased rates will resu ene- fit to the American farmer, whatever benefits are t to him must be borne by the consumers of the country will be compelled to purchase the products upon which th ff is levied in this measure.

There can be no question where we do not produce a ient amount of a given product that is needed for consu in the United States, and are forced to import from a the difference in the amount of production and consumpt the United States, that whatever tariff is imposed will n in a benefit to those who produce or hold the product. t is likewise true, sirs, that where we produce in the Uni ates a surplus of a given product and we sell that surplus eign markets the tariff, no matter how large, will have no pon the price. The United States has almost grown to be orld granary," a "world farm." There is hardly anythi t is produced upon the American farm that we do not no duce more of than is needed for our home consumption an sale of which surplus is dependent upon the markets of the .

We export more wheat than we import. We ex ore corn than we import. And we export millions upo ions more bales of cotton than is imported.

But if the theories of the proponents of this legi are true and the tariff rates are imposed as carried in the hen flour will be increased 20 per cent; rice, 2 cents a pou eats will be increased 30 per cent; fresh or frozen beef, ve ton, lamb, and pork will be increased 2 cents and 2½ cents and.

Mr. McCORMICK. Mr. President——

Mr. HARRISON. I yield to the Senator from Illi

Mr. McCORMICK. The Senator from Mississippi ost as sanguine as the Senator from North Dakota, it se me.

Mr. HARRISON. As sanguine? I am sanguine t is going to increase the cost of living in this country.

Mr. McCORMICK. To the extent that the Senato just indicated?

Mr. HARRISON. If what the Senator from Nor kota [Mr. McCUMBER] and the Senator from Pennsylvania PEN- ROSE] and I take it the Senator from Illinois too, he voted for it, believe is true, it will certainly increas cost of living. If it does not add to the price of the produc re is no use imposing the tax, because what you say you ying to do is to help the farmers of the country.

Mr. McCORMICK. The Senator from Illinois is no onic optimist or a chronic pessimist. He does not believe the increase in prices or in the cost of living will be as g the Senator from Mississippi or the Senator from Nor kota have suggested.

Mr. HARRISON. May I ask the Senator from I —we can get together on this proposition. He represents the great cities of the country.

Mr. McCORMICK. We could get together, possibl here were none to disturb us.

Mr. HARRISON. Well, for a while no one will d us. The Senator's State has a great city, the second in t ited States, and there are over a million consumers there. the Senator believe that the tariff on wheat and on cor d on frozen meats and on wool and on hides will increa those things to the farmers or live-stock men of the country?

Mr. McCORMICK. The Senator hopes that there may be some relief to the farmer, but, as he said a moment ago, he is not a chronic optimist. He is less sanguine than the Senator from North Dakota and less pessimistic than the Senator from Mississippi.

Mr. HARRISON. To whatever extent it helps the farmers, is it not the opinion of the Senator that the consumers must pay it?

Mr. McCORMICK. The Senator hopes the middlemen will bear the burden. To that extent he is an optimist.

Mr. HARRISON. Before the Senator takes his seat may I propound another question? Then the Senator does not believe that any part of the tariff will come out of the consumer, from which tariff the farmers are going to get the benefit?

Mr. McCORMICK. Let the Senator hope. He would not venture a positive opinion.

Mr. HARRISON. Does the Senator think any part of it will be paid by the consumers?

Mr. McCORMICK. No.

Mr. HARRISON. I will ask specifically about sugar. The 1 cent a pound tax on sugar certainly the consumers would have to pay. Does not the Senator think that? Does not the Senator think the 1 cent a pound on sugar will have to be paid by the consumers? It is pretty generally agreed by all Senators that that is true.

Mr. McCORMICK. It is agreed, perhaps, among the Senators from the sugar States.

Mr. HARRISON. Then the Senator from Utah [Mr. SMOOT] would agree to it.

Mr. McCORMICK. He is from a sugar State, like the Senator from Mississippi.

Mr. HARRISON. No; the Senator from Mississippi is not from a sugar State. They are very sweet people down there, but there is no sugar there.

Mr. McCORMICK. I was mistaken on that point.

Mr. HARRISON. So the Senator does not know whether or not this will increase the price of sugar to the people?

Mr. McCORMICK. The Senator hopes not.

Mr. HARRISON. What does he think about frozen meats?

Mr. McCORMICK. He is not an expert on frozen meats.

Mr. HARRISON. Mr. President, I will proceed; and, as I stated before, if the contention of those who proposed this legislation is true, namely, that the amounts of the tariff on the products upon which the tariff is imposed will help to that extent the farmer, cotton goods will be increased by virtue of the provisions of this bill, as well as wool and woolen goods, in many instances over 500 per cent; sugar will be increased 1 cent a pound, butter 8 cents a pound, milk 2 cents a gallon and cream 5 cents a gallon, condensed milk 2 cents a pound. And just think of it, the tired workman and the poor old fellow who smokes to drive away his cares and bring back dreams of better days is forced to pay an additional tax that will increase the cost of his tobacco.

Hides that go into the shoes that are manufactured in this country are increased 15 per cent. I need not tell you that that will necessarily raise the already too high price of every pair of shoes that is purchased by the consumers of the country.

There are many other increases in the bill, every one of which is on the necessaries of life.

So the Senators who have the matter in charge owe it to the Senate to discuss the provisions of this bill, and they owe it to the American people to explain and defend the consequences that will flow from its outrageous and indefensible tax levies.

There have been some changes in the bill, it is true, but there are no changes, as stated by the Senator from North Dakota, respecting the tariff rates imposed on importations. And the antidumping clause, the valuation feature, and the licensing provisions are intended to increase the rates and add to the burden of the consumers rather than to lessen them.

Every amendment that has been added to this bill since it passed the House and the Senate at the last session has tended to increase still more the rates on the consuming masses. Nothing has been added that would tend to relieve them in the slightest degree. The antidumping feature has been fully discussed in the very able and elaborate address by the distinguished senior Senator from North Carolina [Mr. SIMMONS]. It was likewise ably discussed by the Senator from Rhode Island [Mr. GERRY], and Senators on both sides of the aisle agree that so far as the antidumping feature of the bill is concerned it is intended under certain circumstances to increase the rates. The worst part about the antidumping proposition is that it is not confined to agricultural products, the subject proposed to be considered in the pending legislation, but it applies to every article included in the general tariff law. It leaves nothing out. It takes them all in, and in some instances, as was stated by the Senator from North Dakota [Mr. MCCUMBER] in charge of the bill, the valuation feature and the antidumping feature might increase the tariff upon certain articles from 300 to 400 per cent.

So the bill is worse than it was before, and th[e] New Democrats who supported it in the last Congress sho[uld] remember that, whatever excuse for their action then, ther[e] is none now, in view of the antidumping provision and the va[lu]ation provision and the licensing provisions added to it.

The action of the majority party is very differ[ent] from that of the minority party. Here you are burdening [the] consumers of the country by deceiving the farmer and tryi[ng] to make him believe that you are giving him some great bene[fit] through the provisions of this legislation. I will tell you wh[at] the farmer is interested in. He is interested in obtaining s[ome] loans from the farm loan banks. He is interested in havi[ng] his land appraised on which he has made application for [a] loan, and the application hastened for approval. During th[e] last Congress helpful amendments to the farm loan act we[re] offered from this side of the aisle. You will remember tha[t] in the case was pending in the Supreme Court wherein th[e] loan system was attacked and its constitutionality [and] bonds could be sold, and all the agents and appr[aisers] were laid off, and the offices closed, that it was from [the] side of the aisle that the suggestion was made that the [Se]cretary of the United States purchase $100,000,000 of the b[onds] that the system might be revived and the farmers obt[ain] some of the benefits. You saw and I saw the other side of [the] aisle oppose it and cut it down to take care of only those a[p]plications which had been made and which had been approved. [Th]en we saw later in the closing days of the last Congress [the] introduction of an amendment to one of the general appro[pri]ation bills authorizing the Secretary of the Treasury to take [$]100,000,000 of the farm loan bank bonds. It passed the S[enate] but it was stricken out either in the House or in confer[ence] and did not become a law. If that legislation had passed, [there] would not be as much trouble to-day among the farmers [as] there is. The responsibility for the failure to pass that a[ct] rests upon you. Your leaders directed that it be elimina[ted].

Those applications for loans could have be[en] taken care of, and that system would to-day be functioning [if] the amendment had prevailed. So those are some of the w[ays] which you could have helped the farmers, but you failed [to] do it. I saw, too, Senators on the other side of the aisle o[ffer] an amendment to one of the general appropriation bi[lls] appropriate $100,000,000 to carry on the work of build[ing] good roads in cooperation with the States, and that legisla[tion] was defeated.

Mr. President, if the antidumping clause in [the] bill prevails, it will undo the work which this side of th[e] Chamber did in 1913. The Senator from Wisconsin remember[s], because he voted for the legislation and championed it [on] the other side of the aisle. Under the leadership of [the] distinguished Senator from Alabama, who was then the [head] of the majority in the House of Representatives, we [met] the condition of the farmers of the country; we knew that [the] great burdens upon them were caused in part by the fact th[at] they had to pay too high prices for the things which they [had] in order to work and produce their crops. While everyt[hing] they produced was sold in the open competition of the world, [bas]ically speaking, on everything they bought—fertilizers, f[arm] implements, and so forth—they had to pay a high prote[ctive] tariff. So we wanted to relieve that situation, and we pass[ed] it was known as the farmers' free list bill. The articles t[hat] placed upon the free list at that time in order to help [the] farmers of the country are still on the free list due to that [leg]islation, removed from any tax and any tribute to certain [pri]vate interests. If the antidumping clause of th[is] pending bill prevails, it may, if the circumstances arise—a[nd] probabilities are they will arise—take from the free list [some] one of those articles and impose a tariff or a tax upon [it], thereby increasing the costs of these necessary farm [ar]ticles to the farmers of America.

Sirs, let me just cite to you some of the [articles] that are embraced in that free-list schedule which really [benefits] the farmers of the country. I see first in order anti[toxin] to cure the children from attacks of diphtheria. If th[e] antidumping provision of the bill prevails, the time may com[e] when there would be imposed a protective tariff against the [importa]tions of the land buying at a reasonable price antitoxin and [other] medicines to relieve the suffering and cure the sickne[ss] of their children. Next, Bibles are on the free list, but if th[e] provision in the pending bill should prevail it might be, if [the] circumstances should arise, that even those who desire to [pu]rchase a Bible made abroad and imported into the United States would have to pay a higher price for it. You want to pre[vent] the sick from being cured and the godless from being Christianized.

Fertilizers of every kind, including Chilean nitrates, are now on the free list, but under the pending bill [the] time may come and circumstances may arise that a tax be i[m]posed making the farmer's fertilizers cost him more. That brings to my mind the fact that, with the exception of about eight real friends of the farmers on the other side of the aisle, Republican Senators in the last Congress defeated legislation that proposed to give to the farmers cheaper fertilizers, to be manufactured at the Muscle Shoals plant. So it is a peculiar and strange thing to me that the men should now pose as friends of the American farmer who have fought him throughout in every contest. While they pretend to help him in the pending bill, they are really taking away from him some of the advantages that are given to him in the free-list schedule of the Underwood-Simmons tariff law.

Under the farmers' free list we provided that cotton bagging, that barbed-wire fencing, that plows, that disk harrows, that harvesters, that reapers, that agricultural drills, that mowers, that horserakes, that cultivators, that thrashing machines, that cotton gins, that machinery used in the manufacture of sugar, that wagons, that carts, that sewing machines and needles should come in free. I notice that the distinguished Senator from New Hampshire [Mr. MOSES] proposed an amendment in the last Congress to put a tariff on needles. They are carried in this free-list schedule because, if we could, we wanted to help the housewife, the farmer's wife, the consumers of the country, to purchase such articles at reasonable prices.

Mr. MOSES. May I call the attention of the Senator to the fact that the needles which I wished to protect were needles that were used in machinery in hosiery factories and not needles that are used by the housewife?

Mr. HARRISON. Yes; needles that are made up in New Hampshire.

Mr. MOSES. They are, indeed.

Mr. HARRISON. Yes. We did not stop in this enumeration by naming the commodities that the farmer needed upon his farm in order to produce his crops, but we made the language so broad that it provided that agricultural products of every kind should be admitted into the country free of any import duty; yet if the pending bill passes in its present form, with the antidumping clause inserted, the result would be to increase prices to the farmers of the country. While proposing to help them, in one instance by imposing a high tariff on farm products, through the antidumping clause there would be levied high taxes upon the things that are now on the free list, and which are necessary to the farmer to produce his crops.

Mr. MOSES. Mr. President——

Mr. HARRISON. I yield to the Senator from New Hampshire.

Mr. MOSES. Does the Senator from Mississippi mean that the imposition of a tariff upon farm products is going to be any detriment to the farmers themselves?

Mr. HARRISON. I am not surprised at the Senator from New Hampshire asking me that question. The Senator from New Hampshire can not understand how if the farmer had to pay a tax at the customhouse——

Mr. MOSES. Upon the products which he himself raises?

Mr. HARRISON. On agricultural implements, it would hurt him.

Mr. MOSES. "Agricultural products" is what the Senator from Mississippi said.

Mr. HARRISON. On agricultural implements of every kind.

Mr. MOSES. No; "agricultural products" is what the Senator said.

Mr. HARRISON. If I said "products," I was mistaken, because I have talked for the last half hour on agricultural implements that are now on the free list, and which under the antidumping provision of the pending bill may be greatly taxed.

Mr. MOSES. I thought, if I may quote the words of Beaconsfield speaking to Gladstone, that the Senator was "intoxicated with the exuberance of his own vocabulary."

Mr. HARRISON. I am glad I have detained the Senator in the Chamber long enough for him to hear at least a part of my vocabulary, because the Senator from New Hampshire made one of the most eloquent speeches during the last Congress that I have ever listened to respecting the provisions of this bill. It was a speech which was published in all the papers of the country, and while it did not have much effect upon the majority side of the aisle, it was certainly filled with eloquence and great logic. It showed that the Senator is a real statesman, and that he is not willing because needles are manufactured in his State to swallow all other indefensible propositions that might be handed to him in order to get protection on them. I should like to read that speech.

Mr. MOSES. Mr. President, before the Senator reads it, will he allow me to interrupt him?

The PRESIDING OFFICER. Does the Senator [illegible] Mississippi yield to the Senator from New Hampshire?

Mr. HARRISON. I can not yield now; I will yie[illegible] in a few moments.

The PRESIDING OFFICER. The Senator from [illegible]ississippi declines to yield.

Mr. HARRISON. I want to read from the great [illegible]eech that was made in the last Congress by the Senator from [illegible]ew Hampshire [Mr. MOSES], which is found on page 3252 [illegible] the CONGRESSIONAL RECORD of February 16, 1921. In speal[illegible] of the emergency tariff bill then pending before Congress, [illegible]ch was similar to the pending bill, the Senator from New [illegible]mpshire said:

> Mr. President, this bill having been described to meet [illegible]ergency, the emergency is presented to the Senate in a most one-si[illegible]nner. I insist, as an all-around protectionist along the lines stat[illegible]e Senator from New Jersey [Mr. EDGE], that if an emergency ex[illegible]th reference to American industry and trade, it exists in all bran[illegible] well as in the few which have been singled out for special favo[illegible]hat we, as national legislators, should consider all of them. [illegible]roposal which I make in the amendment now pending is to apply[illegible] the 10 months in which the pending bill purposes to operate, a[illegible] duties contained in the last Republican tariff measure which [illegible]opted, a tariff which was amply protective for every industry whi[illegible]ched, a tariff which was proclaimed to the country as the best [illegible] measure ever drawn, a tariff measure which was framed, in par[illegible]ast, and voted for and upheld by 14 Senators still remaining on [illegible]e of the aisle, who can not have forgotten the panegyrics with [illegible]hey covered that measure, and to whom I now appeal to give [illegible] the 10 months through which the pending bill purposes to oper[illegible]omplete wall of tariff protection for all industries, behind whic[illegible]Congress may proceed leisurely and scientifically to draw a tariff [illegible]d to all emergencies and which may be permanent law during [illegible]years to come.
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> *I am trying to make an appeal to my protectionist* [illegible] on this side of the aisle to support it, because it can not be th[illegible] measure now before us in the form in which it now stands, and [illegible]h I can *never give my vote, can be adequately defended by* [illegible]. It is regarded very generally as a measure which is indefe[illegible] Private conversation among Senators shows that to be the fac[illegible]as been *admitted almost in terms by Senators who have spok*[illegible]s favor upon the floor. It is a bill—

That is this bill—

> that grows out of an unwise yielding to pressure which [illegible]plied at the other end of the Capitol. It is the offspring of a un[illegible]ween the cotton field, the sugar-cane brake, the rice paddy of on[illegible]n of the country, and the sheep run, the cattle range, and the [illegible] field of another section. It is a misshapen brat at best. It i[illegible]ed, it is blind, it is deaf, it is bandy-legged, and it suffers [illegible]ngenital economic rickets. It is misconceived, bagborn, and, t[illegible]lete the characterization, ditch delivered. Republican Senators [illegible]ot go to the country upon such a proposition.

That is the best speech the Senator ever made.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Does the Senato[illegible] Mississippi yield to the Senator from New Hampshire?

Mr. HARRISON. Yes; I yield.

Mr. MOSES. I am glad that my periods have f[illegible]o pleasingly on the ear of the Senator from Mississip[illegible] I can only wish that upon the original delivery of the [illegible] I could have delivered it with the force which he has no[illegible]n to my restrained words in dealing with this measure.

I assume, Mr. President, that the Senator is [illegible]oring to wring from me some sort of recantation; that he [illegible]s me to state that I have changed my opinion about the b[illegible]

Mr. HARRISON. No; I do not think the [illegible] or ever changes his opinion.

Mr. MOSES. I have no intention of changing [illegible]inion on this measure; I have no intention of voting for [illegible] I hope before the debate upon it closes that I may have t[illegible]ortunity to offer once more a few well-chosen and wholly r[illegible]ed comments upon what I believe to be its main feature[illegible]icularly the last sections of the bill.

Mr. HARRISON. I am very sure the Senato[illegible] make a most eloquent speech.

The pending bill is supposed to be a general bi[illegible]ake care of every industry in the country, so far as th[illegible]icultural interests are concerned. Word has gone out that [illegible]n not be amended.

This bill provides that cotton with a staple of [illegible]es shall carry a tariff of 7 cents a pound. That is the p[illegible]n of the bill. Now, let me read from the report of the co[illegible]e, to see whether or not the committee that drafted t[illegible]position really intends and desires to be fair with eve[illegible]tion and every interest in the country.

I am reading from the report prepared by Mr. [illegible]NG, from the Committee on Ways and Means, and submitted [illegible] the House of Representatives. He says:

> The Young emergency tariff bill proposes a duty of 7 c[illegible]ts per pound on cotton the staple of which was 1⅜ inches and long[illegible]. We are of the opinion—

Says this report—

> that the minimum length of staple on which the tariff [illegible]e be levied should be 1⅛ inches.

I am reading this to the Senator from Utah. I just want to call the attention of the Senator from Utah to this matter a moment. This bill carries a tariff of 7 cents a pound on cotton the staple of which is 1⅜ inches in length. Is that right?

Mr. SMOOT. That is correct.

Mr. HARRISON. The report of the Ways and Means Committee of the House says:

> 1. The Young emergency tariff bill proposes a duty of 7 cents per pound on cotton the staple of which was 1⅜ inches and longer. We are of the opinion that the minimum length of staple on which the tariff is to be levied should be 1⅛ inches, and that the duty should be increased from 7 cents to not less than 10 cents per pound.
>
> 2. Long-staple cotton is produced in the United States in certain favored areas, the most important of which are Arizona and California, in the Delta of the Mississippi River and its tributaries, in Texas and Oklahoma, in South Carolina, and to a limited extent in other cotton-producing States. The long-staple cotton produced in these areas has to compete with imported cottons, especially with those produced in Egypt and Peru.
>
> 3. Long-staple cotton is required for certain specific purposes, such as the manufacture of automobile tire fabrics, for mercerized hosiery and underwear, for sewing thread, for lawns and ladies' dress goods, and for the finer numbers of yarns. It is highly desirable to develop our production of extra staple cotton to meet the requirements of American manufacturers of such products.
>
> 4. Large areas of land in this country are available for the production of extra staple cotton, but because of the costs of reclamation, irrigation, and the higher standards of living and cost of labor, the cost of production of such cotton in the United States is high and our producers need a protective tariff to equalize the cost of production abroad with that in the United States.
>
> 5. While no official data are available, it is estimated that the cost of producing long-staple cotton in Arizona and California is 52.6 cents per pound and the cost of producing long-staple cotton in the Mississippi Delta and elsewhere in the cotton belt is about 35 cents per pound.
>
> 6. In the table following are presented quotations on the selling price of Sakellaridis Egyptian and American Egyptian cottons. It will be observed that on March 15 the price of fully good Sakellaridis was 35⅜ cents and good fair Sakellaridis 26¾ cents, c. i. f., landed Boston, and that American Egyptian cotton of No. 2 grade was quoted at 26¾ cents and No. 3 grade at 25¾ cents, landed Boston. Such prices are far below the estimated cost of production of cotton in Arizona and California. It should be pointed out further from the table that the prices of good fair Sakellaridis and No. 2 Arizona Egyptian have been practically indentical since November 13 last. In other words, the price of good fair Sakellaridis seems to fix the price of American Egyptian cotton. No price quotations are available for upper Egyptian cotton, but it is known to be a fact that "upper Egyptian" cottons compete directly with American cottons of staple lengths between 1⅛ and 1⅜ inches.
>
> 7. The freight rate on cotton from Alexandria, Egypt, to Boston, Mass., is 90s. per ton of 40 cubic feet, or approximately 70 cents per hundred pounds. The freight rate from California to Boston is $1.88 per hundred pounds, and from Memphis, Tenn., to Boston is 65½ cents per hundred pounds.
>
> 8. Enactment of a tariff which would give protection to cotton of 1⅛ inches staple and longer would serve to encourage the production of superior varieties of cotton in the United States and would tend to improve the character of the American cotton crop.
>
> 9. Producers of long-staple cotton have faced adverse market conditions in the sale of last year's crop and are said to have on hand a large part of last year's production. Accordingly it is believed that the producer would receive the benefit of whatever protection that might be conferred by the proposed tariff measure.
>
> 10. In the second table figures are presented which show the estimated production of long-staple cotton in the United States and in the world, and also the imports into the United States of Egyptian and Peruvian cotton, which constitute practically all of the imports into this country of cotton of 1⅛ inches or longer in staple. In passing it may be stated that small quantities of staple cotton are imported into the United States from Mexico and the West Indies, but exact statistics are not available from these countries.

The proposition that I want to ask the Senator about is this: When the report of the Ways and Means Committee, if they can justify a tariff on any length of cotton, says that it should be 1⅛ inches, and the bill carries a duty on cotton with a staple of 1⅜ inches, why is it that they did not make it 1⅛ inches?

Mr. SMOOT. Mr. President——

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

Mr. HARRISON. I do.

Mr. SMOOT. The only cotton to speak of that is imported into the United States—and that is the Egyptian long-staple cotton—has a staple running from 1⅜ to 1⅝ inches. The Finance Committee and also the House committee in this report decided that the only protection that was needed to cotton at all was against cotton that was imported into this country; and I will say to the Senator that 1⅜ inches is rather a short staple for what is called long-staple cotton. The Egyptian cotton that is raised in Arizona has a staple running from 1⅝ to 1⅝ inches. Nearly all of the Egyptian cotton that is imported into the United States has a staple of 1⅝ inches, and there is no necessity of applying the duty to 1⅛. There is a little 1⅜ cotton raised in America outside of Arizona, in Alabama and certain parts of Mississippi.

Mr. HARRISON. As the Senator understands, I am not taking issue with the Senator on the propriety of not putting a tariff on 1⅛-inch cotton. The Senator understands that I am against protection of every kind, but what I am asking the Senator is why in a report of the Ways and Means Committee of the House they say that the tariff should be 10 cents a pound

on cotton 1⅛ inches in length to 1⅜ inches in length and you write a bill making it 1⅜ inches?

Mr. SMOOT. Because cotton with a staple of 1⅛ inches is the only cotton that is imported into this country that comes into competition at all with cotton grown in the United States.

Mr. HARRISON. But the Committee on Ways and Means says that the 1⅛-inch cotton comes into competition.

Mr. SMOOT. The Finance Committee of the Senate did not think it did.

Mr. HARRISON. Then the Senator from Utah states that the facts as stated in the report of the Ways and Means Committee of the House are not true so far as cotton is concerned?

Mr. SMOOT. I would not say that.

Mr. HARRISON. Well, that they are incorrect?

Mr. SMOOT. I would not say that they are not true. I think perhaps you could find a negligible quantity of cotton that comes in that is not 1⅜ inches in length; but I would say to the Senator that if it does come here it is because of a mistake in shipping that class of cotton, and it would be very low-grade Egyptian cotton with a staple of 1⅛ inches. There may be a few bales; I do not know; but there is no necessity of protecting it.

Mr. HARRISON. The strange thing to me is that here the Ways and Means Committee of the House and the Finance Committee of the Senate in their report state that a tariff should be placed on cotton with a staple between 1⅛ inches and 1⅜ inches in length, that it competes with certain cottons from other countries, and yet the House did not place it at 1⅛ inches length; it put it at 1⅜ inches. Why did they write a report stating one thing, while in their bill they do not take care of the situation with respect to cotton with a staple less than 1⅜ inches in length?

Mr. SMOOT. I do not know whether the Senator is reading from the report on the original bill or not.

Mr. HARRISON. I am reading from the Young report, that was filed with this bill recently.

Mr. SMOOT. That is the later report.

Mr. HARRISON. Yes.

Mr. SMOOT. I think that report was made up on the basis of the report that was first made in the House. If the Senator will remember, when the bill came from the House it did carry a tariff on cotton 1⅛ inches in length, and the report was made up on that, but it was changed in the Senate to 1⅜ inches.

Mr. HARRISON. No; this report says:

> The Young emergency tariff bill proposes a duty of 7 cents per pound on cotton the staple of which was 1⅜ inches and longer.

Then it goes on and says that the tariff ought to be on cotton 1⅜ inches in length. Now, what I am trying to get at is this: In drafting the bill, if they say it is going to be general in character and take care of all agricultural products, and they make a statement like that, why did they not put the tariff on cotton the staple of which is 1⅛ inches in length? The argument of their is to support the proposition that the tariff should be a tariff on cotton the staple of which is 1⅛ inches in length. I can not imagine any sectional feeling entered into it.

Mr. SMOOT. I think perhaps the reason why was the same as it was in the last session is that the House was to be reported and pass the House and pass the Senate without changing it from the rates as agreed to in conference, and the 1⅜ inches was agreed to in conference.

Mr. HARRISON. Does the Senator offer that justification for this action—that this was done simply because they wanted to stand by a rate carried in a previous bill.

Mr. SMOOT. No; I am not trying to justify at all. The Senator asked for the reason, and that is one reason.

Mr. HARRISON. Does not the Senator think it is a pretty bad reason?

Mr. SMOOT. No; I do not, because I think 1⅜ with a staple of 1⅜ inches is the proper length of staple cotton to protect. I think the Senator is wrong in the position he takes.

Mr. HARRISON. I can understand how the Senator, then, could be in favor of its being 1⅜ inches; he believe that; but here is the Ways and Means Committee of the House stating that it ought to be put on 1⅛ cotton; and they put it on 1⅜ cotton.

Mr. SMOOT. The only thing I can say is that the Senator from Utah disagrees with the conclusions of the members of the House Ways and Means Committee.

Mr. HARRISON. Well, that is the way this bill is drafted. That is the kind of reports that are thrown in here and on which we are asked to vote.

You will see, therefore, that the new Members and all of us are asked to vote on a measure based on a report that contradicts the bill it supports.

Mr. President, I am not going to occupy much more of the time of the Senate. I want to argue one or two more propositions and then I am through.

When this bill was before the House and the Senate in December, it was offered as an emergency measure. It was said: "We want to pass it immediately, in order to take care of the present situation. There are conditions confronting this country that must be met. There are great importations of wool that are coming into the United States. There are great importations of wheat and of rice and of live stock and of all these things, and as an emergency measure we must put up a wall here quickly in order to protect the American farmer." That was the argument.

Mr. SMOOT rose.

Mr. HARRISON. Does the Senator want to ask me something?

Mr. SMOOT. No; I was simply going to say to the Senator that that condition exists to-day, but in an exaggerated form.

Mr. HARRISON. I am going to show the Senator that it does not exist. That is just what I am going to argue.

Mr. SMOOT. The Senator, no doubt, has received letters from importers of wool begging that an amendment be made to this bill, so that it will not apply to wools contracted before the 1st day of April; and yet in the last three months more than 137,000,000 pounds of wool have come into the United States, and if it goes another two months there will be enough wool in the United States to last the United States for over two years and a half. If that is not an emergency, I do not know what is.

I will not take the time of the Senator now to go into the other items mentioned.

Mr. HARRISON. I am very glad to have gotten that statement, because I expect to show just the contrary before I finish.

Mr. SMOOT. The Senator can not show the contrary.

Mr. HARRISON. Well, wait and you will see. That bears exactly on the point I am going to argue now. I am glad the Senator is in here. He has not been in very much. He has been busy on committee work, I know.

Mr. SMOOT. I have been here all the time, with the exception of this morning.

Mr. HARRISON. The Senator has been engaged on committee work.

Mr. SMOOT. Mr. President, I want to change the figures of 137,000,000 pounds, as I have the report up to March 1, 1921—that is, January, February, and March—to 162,158,546 pounds.

Mr. HARRISON. Mr. President, in December the statement was made, and it is reiterated now, that there was an emergency existing and that they were afraid there would be such a flood of importations into this country of wool, wheat, sugar, and various other agricultural products, that they needed a tariff to protect them, so the cloture rule was attempted to be forced on us in order to pass the bill quickly. That bill was defeated purely because the President vetoed it. If that bill had been signed and had become a law the Democratic minority might have been in a very peculiar position right now in the eyes of the country.

Importations have fallen off instead of increasing, as was prophesied by the Senator from Utah and other Senators in support of this proposition.

Mr. SMOOT. Yes; but not in the case of the items that this bill covers.

Mr. HARRISON. Here are the items in regard to wool imports:

In October, 1920, 1,415,000 pounds came into this country. In November, 497,000 pounds came in. In December, quite a large amount came in—3,082,000 pounds. In January, 1921, 1,140,000 pounds came in. In February, 487,000 pounds came in. In March, 369,000 pounds of wool came in. There was a falling off.

Mr. SMOOT. No; Mr. President.

Mr. HARRISON. Well, these are the figures of the Tariff Commission up here, the Bureau of Foreign and Domestic Commerce. If the Senator has something different, I do not know.

Mr. SMOOT. I quote figures from the Department of Commerce.

Mr. HARRISON. That is where these came from. It may be, since you have got your new crowd up there, that I can not get correct figures. I do not know about that.

Mr. SMOOT. This is for the eight months of last year, 1920. It was printed before ever the new crowd was there.

Mr. HARRISON. I know, but you have not the figures for the last few months, have you?

Mr. SMOOT. Yesterday I asked for the importations for January, February, and March of 1921.

Mr. HARRISON. That is what I did yesterday.

Mr. SMOOT. And they show 162,158,54[illegible] pounds.

Mr. HARRISON. They gave me for the month of January, 1921, as I stated, 1,140,000 pounds; for February, 487,000 pounds; and for March, 369,000 pounds, showing a falling off of nearly 300 per cent.

Mr. WALSH of Montana. Mr. President——

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

Mr. HARRISON. I do.

Mr. WALSH of Montana. This reminds me of a very interesting incident occurring here in the Senate quite a number of years ago, when Senator Carter, of our State, was a Member of this body. As in this instance, upon [illegible]ically the same question, essentially different figures were furnished by the two Departments of the Government, which gave rise to considerable discussion here as to which were the correct figures. Senator Carter had a reputation of being something of a compromiser, and he proposed that the two sets of figures be averaged and the result accepted by the Senate.

Mr. SMOOT. The former Senator from Montana, Mr. Carter, may have accepted that during his time; but the Senator from Utah does not compromise when he knows that the figures are correct, and I can tell the Senator from Montana now and the Senator from Mississippi that the amount I named is correct, namely, 162,158,546 pounds. Mr. President, that is the amount of wool that came into this country in January, February, and March, 1921.

Mr. HARRISON. What is the figure given by the Senator?

Mr. SMOOT. One hundred and sixty-two million one hundred and fifty-eight thousand five hundred and forty-six pounds.

Mr. HARRISON. In January, February, and March?

Mr. SMOOT. Yes.

Mr. HARRISON. That was wool?

Mr. SMOOT. That was wool.

Mr. HARRISON. According to the figures they furnished me, in January, 1921, as I stated before were 1,140,000 pounds, and in February a falling off to 487,000 pounds, and in March down to 369,000 pounds in round. The Senator may have just taken them all together, or the figures may apply to only one grade of wool. Has the Senator stated them by months?

Mr. SMOOT. I have them here by me, Mr. President, for the three months, and I got them direct from the department.

Mr. HARRISON. What I am trying to get at is this: Was there a falling off in the Senator's figures in the month of February from the month of January, and was there a falling off in March from February? The point I am pressing is constant decrease in the importations of wool.

Mr. SMOOT. Mr. President, I should think there would be a falling off in February and March, because of the fact that when it was thought in the United States there was going to be a tariff upon wool the orders ceased, of course, that left the months of February and March, the time when those wools would have arrived here if they had been ordered during those months, with few arrivals.

Mr. WALSH of Montana. That inference might seem justifiable, but I have upon my desk this morning two letters from manufacturers of woolen goods in the State of New York.

Mr. SMOOT. I think I have copies of the letters.

Mr. WALSH of Montana. Who tell that they made purchases in the month of March.

Mr. SMOOT. Yes; but they did not get here. We are talking about the wool that has arrived here.

Mr. WALSH of Montana. They made purchases in the month of March of wool, not yet having arrived, and that I think it is not quite true that purchases ceased when the other bill had passed.

Mr. SMOOT. There is not any doubt but what purchases ceased, Mr. President, and that began even in November. You can not buy wool from Australia and have it here the next day. It takes months to get it, and the purchases ceased in November and December, so the importation of wool in February and March fell off, because if the wool had been purchased in November and December it would have arrived here in February and March, and I called the attention of the Senator from Mississippi to the letters to which the Senator from Montana has just referred. I suppose every Senator received them. After the President vetoed the bill they began to purchase wool again, and now they are asking that amendment be made to this bill, so that all wools purchased anywhere in the world under contract up to April 1 shall come in free.

Mr. HARRISON. Mr. President, I am very glad the Senator from Utah has admitted that the importations of wool into the United States in the month of February fell off from the month of January and that the importations in March fell off from the month of February.

Mr. SMOOT. Yes; I admitted it, and I gave the reasons why.

Mr. HARRISON. Mr. President, I understand the Senator's reasons, and I am going to give the reasons to the contrary. I offer these reasons merely to show that the importations of wool had been on the decline since December, and this bill was proposed in December in order to keep out the great flood of importations that they said then were coming here. The picture the Senator from Utah at that time drew was most impressive; he waxed eloquently, describing how shiploads of wools were coming in and how it would drive down the prices. Let us see what the price of wool was in the last three months. It may be that again the Senator's figures are different from mine. If I can not get correct figures at the departments since the new régime has come in, I shall be running over to the Senator's office and have him get the figures for me.

The price of fine unwashed delaine wool in December, 1920, was 47 cents. On April 30, 1921, the price was 41 cents, a falling off in price of 6 cents a pound. The general range of prices of all grades of wool in December was 48 cents, and on April 30, 1921, it was around 41 cents. If the bill had become a law in January and the importations had fallen off, as they have fallen off, then Republican Senators would have claimed much relief from the measure. The object of their bill was to increase the price of wool for the woolgrowers and to keep out importations. An examination of the facts shows that the price has not increased, although importations of that product have fallen off immeasurably. The contrary is proven from the facts of what was predicted by proponents of the legislation.

The Senator from Utah smiles. I am glad to see him smile. He is in a good humor when he smiles. The Senator evidently does not agree with me about that.

Mr. SMOOT. I really smiled at the statement the Senator made.

Mr. HARRISON. Maybe the Senator would not have made that kind of an argument, but most Republicans would. Of course, the Senator travels on a higher plane and he would not use that kind of an argument, but most Republicans would have used that kind of an argument.

You said you were going to keep out increased importations by the passage of the bill, and even though the bill failed the importations of wool have fallen off, according to the statement of the Senator himself. And when the importations fell off you predicted the price of wool would go up, and what happened was that importations fell off and the price did not increase, but went down. The results have been just the contrary of what the Senator from Utah and others predicted.

Now, I pass to wheat. We heard the Senator from North Dakota in December talking about the great importations of wheat that were threatening to come into this country. We find that in December 11,185,000 bushels came in, and in January, 1921, it had fallen down to 4,504,000 bushels, and in March down to 2,671,000 bushels. So it did not take any tariff on wheat to bring it down, but the importations decreased from December, when there were 11,000,000 bushels, down to March, when there were 2,000,000, even though the emergency bill failed. Yet if the emergency tariff bill had become a law and the importations had decreased that way, the Republicans would have claimed all the credit for the fact.

But that is not all; you contended that the price of wheat was going up when the importations fell off. Now, let us see whether or not the price did go up when the importations went off. December 15, 1920, the cash sale price of No. 1 hard winter wheat was $1.755 per bushel. April 29, 1921, the price was $1.46 a bushel, a falling off, in other words, of approximately 30 cents a bushel. So the very reverse results have followed; that while the importations fell off in those two months from practically 11,000,000 bushels down to 2,000,000 bushels, the price of wheat declined also.

If the bill had become law and importations ceased and the price had gone up, you would have claimed the credit; but, sirs, you can not claim it now, because the importations have fallen off and the price has decreased at the same time. If your contention had been true, that to prevent importation into this country of wheat and of wool would have increased the price of those products to the farmers of the country, then that would have been revealed when importations fell off. But the contrary is proven, because the prices of those products have decreased.

Mr. President, if you Republican Senators were so anxious to do something for the American farmer, why did you not do something in 1919 when you took control of the legislative branch of the Government?

Mr. SMOOT. That is easily answered, if the Senator wants to know.

Mr. HARRISON. Yes; I would like to have the Senator answer it.

Mr. SMOOT. What would have been the use of passing legislation through this body when we knew there was a President at the other end of the Avenue who would veto it?

Mr. HARRISON. Why did you propose it in December, then, three months before the time he was going out? Was it a piece of hypocrisy you were trying to practice on the people? Were you trying to deceive them by any such thing as that?

Mr. SMOOT. No; Mr. President. If we had passed a tariff bill in 1919 it would have been a general tariff bill, and we knew that there was a large majority of Democratic Senators who were in favor of an emergency tariff bill, as demonstrated by the vote in the House and in this body.

Mr. HARRISON. Why were they not in favor of it in 1919?

Mr. SMOOT. The President of the United States in the meantime had given notice that there were certain industries here which ought to be taken care of, and we had every reason to believe he would sign the bill, and we put it up to him, and he vetoed it.

Mr. HARRISON. The argument of the Senator is this, that when the Republicans controlled the House and the Senate, in 1919, when the importations were much greater than they were in 1920, very much greater, as I shall show from the figures here, the reason why they did not pass a tariff bill was that they were afraid the President might veto it. If that was true then it was true in December last, because Wilson was President in 1919 as he was President in 1920. The Senator shakes his head. President Wilson was President in 1919 when the Republicans took charge of the House and Senate, and he was President in December, 1920.

Mr. SMOOT. There is no question about that, but they were two entirely different propositions. One of them would have been a regular tariff bill. The other was an emergency tariff bill. One was right after the armistice was signed when conditions had not changed materially from what they were during the war period. But later they had changed, and developed that we had to have some protection for our industries through an emergency tariff bill, and that is the reason the action was taken.

Mr. HARRISON. Now, let me show some further unwarranted deductions from this bill, and the unreasonable arguments of its proponents in support of it as a revenue producer. Let us take peanuts, for instance. The rate on peanuts under the present law is three-quarters of a cent a pound. The rate under the proposed Fordney-Young bill is increased to 3 cents a pound. In the year 1920 there were imported of shelled peanuts, with a duty of three-fourths of a cent a pound, 110,000,000 pounds. But the committee's report of the last session, and used in connection with the report this session, states that under this bill, with the rate four times the present rate, there will be imported 146,847,000 pounds.

I do not understand the logic of that proposition. If 110,000,000 pounds came in in 1920, and the rate was but three-fourths of a cent a pound, how do you expect to get 146,000,000 pounds when the rate is to be 3 cents? If you expect the legislation to keep out these increased importations, why do you figure that so much greater a quantity of peanuts will come in?

Let us go down the list to something else. Take peanut oil, for instance. In 1920 the rate was 6 cents a gallon on peanut oil. There were imported into the United States 2,683,000 gallons. According to this proposition, the rate will be 26 cents a gallon, four times as high, and you say there will be imported 16,667,000 gallons. In other words, there will be 4,000,000 more gallons, with the rate four times as much, coming in under this bill as came in in 1920. If the object is to keep some of these goods from coming into this country, then by your own statement you prove it will not work that way, but we will import more into this country.

Take cottonseed oil: In 1920, with cottonseed oil on the free list, we imported practically 9,000,000 pounds. In this report, with 20 cents a gallon, or 2½ cents a pound, on cottonseed oil you estimate that there will be 96,000,000 pounds imported into this country.

Take rice: The existing rate on rice is 1 cent a pound. One hundred and eleven million six hundred and ninety thousand pounds came in in 1920. You raise the rate to 2 cents and you figure that 145,000,000 pounds of rice will come in under this bill. Is the object to keep some out or is it to encourage more to come in?

Take corn: In 1920 corn was on the free list, and we imported into this country 7,744,000 bushels. You estimate that under this bill, with a 15 cents a bushel tariff on it, 9,175,000 bushels will come in.

In 1920, with wool on the free list, there were imported, of washed wool, less than 8,000,000 pounds. In this report you estimate that with a 30 cents a pound tariff on it 95,000,000 pounds of wool will come in. You increase the rates, increase the protection, and it encourages a larger importation into this country, according to your estimates. I wonder what you are getting at anyhow. Some of your champions of this measure state that the rates proposed are so high importations will be prevented and practically an embargo will be erected; others contend, as shown by this report on estimated revenues, that the high rates will encourage importations and they will greatly increase. In view of these contradictions, some of us do not know what you believe and doubt that you know yourselves.

Of course, we would naturally surmise that these higher rates are intended to lessen importations. If they did not, then your whole theory fails. You have cited these estimates merely to fool some Democrats to believe that they can defend their position of espousing it as a revenue producer. You know that the rates in this bill are high and made purposely so that importations be decreased. You know, too, that not only will importations be decreased but in most instances the rates are so high that they will operate as a complete prohibition. The assertions in this report touching revenue are incorrect, misleading, and deceptive.

Mr. McKELLAR. Mr. President, I have been out of the Chamber at lunch a few moments and I wish to inquire if the Senator from Mississippi has touched the item of cotton in the bill?

Mr. HARRISON. No; I have not discussed at length the item of cotton. I have discussed none of its specific provisions.

Mr. McKELLAR. It provides that cotton having a staple of 1⅛ or more inches in length shall pay 7 cents a pound. If it is the purpose to keep out Egyptian cotton that will not do it, so I am reliably informed by experts in the cotton business.

Mr. CURTIS. Mr. President——

Mr. McKELLAR. What purpose can that possibly have unless it is to fool the unwary?

The PRESIDING OFFICER (Mr. GOODING in the chair). Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. HARRISON. Certainly.

Mr. CURTIS. I simply rose to state that the Senator from Arizona [Mr. ASHURST] has given notice that he will discuss that question on Monday.

Mr. McKELLAR. I am told by an expert in the cotton business that a tariff on a staple of 1⅛ inches will not keep out Egyptian cotton at all, and that short-staple cotton does not come in, so this provision is mere surplusage in the bill if he is correct about it. It does not do any cotton farmer any good. The Senator from Utah [Mr. SMOOT] shakes his head to indicate that this assertion is not correct, and I shall be very glad to have a statement from him as to what is really proposed in the bill.

Mr. SMOOT. I think we had better discuss it when the Senator from Arizona brings it up on Monday, although the Senator from Mississippi and I have discussed it somewhat, and I dislike to repeat that discussion.

Mr. McKELLAR. Very well; I will look in the RECORD and see what was said by the Senators on this subject while I was out of the Chamber.

While I am on my feet, if the Senator from Mississippi does not object, I should like to read just a few lines from a statement by Mr. Joseph Newburger, who is a friend of both the Senator from Mississippi and myself, and who is one of the best-posted men in the South on cotton. He says in a letter to me:

> By putting a tariff on cotton with a staple of 1⅛ inches the Republican Party has done us no good, because this will not keep out what we are trying to keep out. If the bill would read 1⅛ cotton we would keep out all Egyptian cotton, as there is from 200,000 to 300,000 bales that come to this country annually, and the tariff on 1⅛-inch cotton would help us materially in the Delta.

He evidently knows what he is talking about. He has been in the cotton business all his life. He has raised cotton, bought cotton, and sold cotton. He is a man of fine intelligence and has studied this question thoroughly. He knows just what kind of cotton is raised in the Delta. He understands thoroughly what this provision of the bill means, and he says it will be of no value to the cotton farmer. He knows the length of all Mississippi staples, Arizona staples, Florida staples, Egyptian staples, and all other staples, and when he says this provision of the bill will not keep out Egyptian cotton we can be assured that he is correct about it.

Mr. SMOOT. He is mistaken when he says the Egyptian cotton with a staple of only 1⅛ inches coming in would amount to 300,000 bales. I will say to the Senator that almost the

whole of it is 1⅜ to 1½ inch staple. Another thing, if the Senator will permit me, he should take into consideration section 17 of the bill, reading as follows:

Manufactures of which cotton of the kind provided for in paragraph 16 is the component material of chief value, 7 cents per pound, in addition to the rates of duty imposed thereon by existing law.

That would mean that there would be 7 cents per pound on about all cotton goods imported in the United States, whether it be from Egyptian cotton or not, if we should allow the staple to be reduced to 1⅛ inches.

Mr. McKELLAR. Of course, the Senator would say that this tax in favor of the manufacturers of cotton would help the growers of cotton. I understand the bill is intended to be in the interest of the farmers primarily, but in this instance it will not help the cotton farmers at all and will only help the manufacturers of cotton. There is a joker in these two provisions. The duty on one and three-eighths cotton will not mean anything because it will not keep Egyptian cotton out. Section 17 puts a duty of 7 cents on the manufactured cotton goods, and therefore the manufacturer of goods made out of Egyptian cotton less than one and three-eighths staple and coming in free will be given this bounty of 7 cents a pound. This bill is certainly not framed in the interest of the cotton farmer.

Mr. SMOOT. The 7 cents a pound will apply to 1⅜-inch cotton, and that cotton is raised in Arizona. There is a small amount raised in Alabama and some in a portion of Mississippi, but those are about the only States that raise cotton with a 1⅜-inch staple.

Mr. HEFLIN. There is some raised in South Carolina.

Mr. SMOOT. There is a little in South Carolina, but it is so small an amount I do not know whether it is worth mentioning.

Mr. McKELLAR. If the Senator from Mississippi will permit me to reply to the Senator from Utah just a word, whether it was the purpose to help cotton generally, the one and three-eighths provision should be reduced to 1⅛ inches in length of staple, of course, because we all know that substantially no other cotton except the Egyptian cotton comes in. Egyptian cotton is all, or substantially all, less than 1⅜ inches according to Mr. Newburger. Mr. Newburger is one of the most accomplished cotton men in this country. I will back his assertion on this subject. When he says much of Egyptian cotton is less than 1⅜ inches in length, we can be sure he is right.

Mr. SMOOT. Less than 1⅜ inches?

Mr. McKELLAR. Yes. There is very little Egyptian cotton, so he says, that is more than 1⅜ inches in length. The most of it is less.

Mr. SMOOT. The gentleman is wrong if he says the great bulk of Egyptian cotton is one and one-eighth staple.

Mr. McKELLAR. Oh, no; he does not say that. He says it is less than one and three-eighths, and if that is the bill will keep out only a very small portion of cotton which will not affect the American long-staple cotton at all. There is a marvelous and tremendous difference between 1⅛ cotton and 1⅜-inch cotton.

Mr. SMOOT. I wish to assure the Senator that the gentleman is mistaken if he made that statement. There may be some Egyptian cotton that is a little less than 1⅜ that is imported into this country and used in clothing in texture of wool in low-grade clothes, but it is so small in amount that it is practically insignificant. The Egyptian cotton between 1⅜ and 1⅜ inch staple, and I think that every man in the South who knows anything about the staple of cotton will admit that to be the fact.

Mr. McKELLAR. If the Senator from Mississippi will permit me to ask the Senator from Utah another question I think we can settle the matter. The Senator from Utah, a member of the committee. As I understand the Senator from Utah, it is the purpose to keep out the Egyptian cotton, is it?

Mr. SMOOT. It is not the purpose to keep out Egyptian cotton. It is the purpose to protect the long-staple cotton industry in the United States. That industry has grown to any particular extent until the last few years. It is the purpose of the provision. The 1⅜-inch staple provision will protect our American long-staple cotton.

Mr. McKELLAR. If it is the purpose to protect the long-staple cotton, why not change the provision to one and one-eighth, the provision named in the bill, so that it will protect that long-staple cotton? Of course, I differ entirely with the Senator in his views on protection. I do not believe in the protective theory, but if he is so desirous to do the long-staple cotton grower some good, why does he not arrange that provision of the bill so it will protect him? Why put it in the bill when it will protect him in practically no degree at all? The cotton men down South probably know more about this subject than the Senator from Utah, though my good friend is an expert on most subjects. The fact is there is an immense amount of long staple cotton grown along the Mississippi River in what is known as the Delta; a very great deal of it is grown there, and under the provisions of the bill that cotton grown in the Mississippi Valley and practically no other American cotton is protected at all. The provision is merely a matter of surplusage in the bill. It may catch some staples, but I do not see how it is possible under the information furnished by Mr. Newburger.

Mr. SMOOT. It will protect the long-staple cotton of Mississippi. It will protect the long-staple cotton of Arizona. It will protect the long-staple cotton of Alabama. It is not proposed to protect the short-staple cotton.

Mr. McKELLAR. It could not catch any other kind of staple, because no other kind of staple comes into this country. If you made the provision 1 inch in length or three-quarters of an inch in length, you would not keep any cotton out except the long-staple Egyptian cotton, because that is the only cotton which comes in. No short-staple cotton comes into this country, or substantially none.

Mr. HARRISON. Before the Senator from Tennessee came into the Chamber I had discussed the report of the House Ways and Means Committee on this proposition, and in their report, if the Senator will read it, he will find that the committee said there should be protection on cotton 1⅛ inches in length and up, but as it has been brought into the Senate the bill provides 1⅜ inches. They stated in the report what the Senator from Tennessee now states, but the Senator from Utah takes issue on that proposition. Of course, the bill carrying a duty on cotton of 1⅜ inches in length gives a complete answer to the insincerity of the proponents of this legislation as expressed in their report that they desired to deal fairly with the agricultural interests of every section and that cotton of 1⅛ inches in length needed protection. This is in keeping with the record of Republican leadership.

Mr. SMOOT. There is another thing I wish to say to the Senators that the House Members I think did not take into consideration when first establishing the 1⅜-inch staple. The administration of imposing a tax on cotton goods imported into this country under section 17, if the staple was 1⅛ inches, would be impossible. No one could tell in 90 per cent of the goods that would be shipped into this country whether the staple was 1⅛ inches or 1 inch, but where the long-staple cotton of 1⅜ inches and above is used anyone familiar with the manufacture of goods made from Egyptian cotton can tell it at once. When you get down to a staple of 1⅛ inches there would not be a yard of cotton goods imported into the country but what would have to be examined to decide whether it contained 1⅛ inches, as provided in section 17 of the bill.

Mr. McKELLAR. What the bill does under sections 16 and 17 is this: It does not protect long-staple cotton at all, or practically not at all. I doubt if it will keep out 10,000 bales of Egyptian cotton. Under section 17 it would protect all the manufacturers who make Egyptian cotton or American cotton into cloth. It is very cunningly devised, so that the farmer raising long-staple cotton, whether he lives in the Imperial Valley or anywhere else, is not protected at all, or practically not at all, but the manufacturer who puts the long-staple American cotton into the cloth or the manufacturer who puts Egyptian cotton into the cloth will receive the benefit, because section 17 provides that——

Manufactures of which cotton of the kind provided for in paragraph 16.

And that means Egyptian cotton.

Mr. SMOOT. If it is not of that kind, they do not get any protection. I am quite sure the Senator has not given thought to the question or he would not have uttered that statement.

Mr. McKELLAR. I have given thought to it, and that is why I make the statement. Section 16 is the joke and section 17 is the joker in this bill. It is only one of many.

Mr. HARRISON. Of course, 1⅜ inches in length could not apply to some of the cotton raised in Arizona. It will not apply to any cotton raised in the Delta of the Mississippi, because that cotton is around 1⅛ inches in length, and the facts show that 48 per cent of the cotton of that length that is raised in the United States is raised in the Delta of the Mississippi. For my part I am in favor of no protection of any kind, and I wish the Senate to understand that. I have so voted, and would so vote again.

However, the curious thing to me is that if the purpose of those who drafted the legislation is to apply its provisions generally to the agricultural interests of the country on the principle of protection, when their report says cotton 1⅛ inches

should be protected the same as 1¾ inches, why [illegible] that they write into the bill 1⅞ inches in length? Of course, I have understood the Senator's explanation of it. It is different from the explanation of the House Ways and Means Committee on that proposition.

I stated before I was interrupted that in 19[illegible] there was more reason, if there every could be any reason for asking the Congress to pass emergency legislation, but certainly no reason now exists because the importation of practically every article and of every product that is carried in the emergency tariff bill of 1920 has fallen off since that time. The facts as stated by the Senator from Utah touching wool show the importations of that item have fallen off; wheat has fallen off; rice has fallen off; live stock has fallen off. Article by article the importations into this country since December last, when they said the emergency existed, have fallen off so that the emergency does not exist to-day, and there is no flood of those products threatening to come into the United States at this time. It was a bugaboo that was held up to the Senate and to the House that those great importations were coming. The facts now show that they did not come. On the contrary, month by month and day by day those importations have fallen off.

In 1919 the importations of wool into this country amounted to 440,290,279 pounds, while in 1920 the importation of wool amounted to 259,617,000 pounds; in other words, there was a falling off in the year 1920 in the importation of wool of 180,000,000 pounds; yet, during the time that this great flood of importation of wool to the amount of 440,000,000 pounds was coming into this country, the Senators from the growing States who are now pleading for this emergency legislation sat quietly by, did not raise their voices, did not plead for legislation to stop its importation into this country. At that time the Senator from Utah [Mr. SMOOT] and other Senators, perhaps, could have rendered some real service to the wool growers of the country; and I suspect they will have much difficulty in explaining to the wool farmers of Utah and other wool-growing States why, when the great importation of wool were coming, they sat serenely by and did not murmur, but now without the slightest cloud of threatened danger upon the horizon they cry loud and constant.

That condition did not apply only to wool, but applied to some other products. Let us take cattle, for instance. In 1919 the importation of cattle amounted to 263,000 head more than in 1920; that is, we imported 70 per cent more in 1919 than we imported in the year 1920. For the months of September, October, and November, in 1919, we imported 128,000 head more than during the same months in 1920. Why did not some one interested in live stock who thought a tariff bill offered a panacea, in order to help the producers of stock, try to do something at that time to stop the tide of importations into this country?

Let us take sheep. In 1919, 224,000 head of sheep were imported into this country, while in 1920 only 172,000 head came in, so that 52,000 head of sheep less were imported in 1920 than were imported in 1919; yet, while Senators on the other side of the aisle controlled the Senate, and the Republicans were in control of the House in 1919, they did not attempt to draft any measure in order to try to stop the importation of sheep into this country at that time. So it was down the line. I will not proceed to read the entire list, but Senators may take every article and they will find that 1919 was the year when the great influx of importations was coming, and since there has been a falling off constantly ever since.

Mr. President, when this legislation was first considered and brought out of the Committee on Ways and Means of the House it was not nearly so bad as it was when it came to the Senate and was referred to the Finance Committee of the Senate. It was not so bad when it was referred to the Finance Committee of the Senate as it was when it passed the Senate. It was not so bad when the President vetoed the measure last March as it now is. Every day of its progress it has had a tendency either to increase the rates or include other propositions.

When the bill was first reported out of the Ways and Means Committee of the House of Representatives it did not carry any protection to the great Sugar Trust.

That tax on sugar means $125,000,000 additional burden of taxation on the consumers of the country. It is proposed to give that much to the great Sugar Trust of the land and increase to that extent the price of sugar.

When the bill first came out of the Ways and Means Committee of the House there was no provision in it for a tariff or a tax on frozen meat, but it got over here in the Senate—that was shortly after the packer legislation had been considered—and some one who was interested in that legislation wanted to give the packers more protection because they controlled the frozen-meat situation in this country; so they said, "Let us protect them in order that the frozen meats from South America may not come in here and compete with the frozen meats of the five big packers." When that was done, a tariff burden was put upon the consumers of the country, who need meat in order to live, of practically $500,000,000 annually. So going down the line to hides and the Woolen Trust, they are the ones who get the benefit out of this legislation.

Every line in the bill is a challenge to the welfare of the consumers of the country and an imposition on the farmers of a greater burden. Within its folds it invites retaliatory measures from every country to which we sell our goods. Instead of helping it is going to hurt, because what the farmers of this country need, what they want, is a market throughout the world in which to sell their surplus products. That applies to wheat; it applies to cotton; it applies to practically everything except sugar and wool and rice. So what the farmers need is a market for their surplus cotton, their surplus wheat, and their other surplus agricultural products. When some understanding among the nations of the world is brought about and when the wisdom of this administration shall extend some credit to those countries which have always opened up their markets to us, then they will buy of us and the farmers will get better prices for their products.

If you have a real desire to help the farmers, then you should pass some legislation that will take care of additional loans on farm lands. You should pass some legislation touching the railroads, so that the present high and unreasonable freight rates may be reduced. God knows that the farmer now can hardly ship anything, so high are the transportation rates. I received a letter only the other day from the little town in Mississippi in which I was raised, which is located in a great agricultural section and which ordinarily ships more vegetables than does any other center in the whole United States, and from that letter it appears that on many of the products which they are raising the farmer in all probability will lose money because of the high transportation rates. If you really want to relieve the economic situation in this country and to remove the disadvantages under which the people are now laboring, then change the railroad law; reduce freight rates; and go about it in some other way than to pass a piece of legislation such as that embodied in the pending bill. This legislation is a species of deception, fraud, and hypocrisy; it is a betrayal of promises that will rise to plague the Republican Party; it is a repudiation of every pledge made by you in the late campaign; and it will mark the beginning of your end.

EXCESSIVE FREIGHT RATES.

Mr. CAPPER. Mr. President, there is a very general demand throughout the West for the passage of the emergency tariff bill. It is a measure which should have been passed long ago, and I hope that it will be speedily enacted into law.

There is another phase of the agricultural situation which I desire to discuss briefly at this time. Mr. President, I rise to present appeals from a large number of Middle West States for relief from the intolerable railway rates that have brought on business stagnation throughout the country. These appeals come from governors, mayors, State railway commissions, agricultural and live-stock associations, and, in addition, I have several hundred communications from merchants, bankers, farmers, stockmen, and representatives of all lines of industry and trade. All these petitioners for relief warn us that we shall soon have a nation-wide paralysis of business if help does not come quickly. I have never known a more alarming situation, so far as the business of the West is concerned, and that is why I wish to lay stress on the urgency of quick action. High railway rates are not entirely responsible, but they have had a great deal to do with it.

The State board of agriculture of Kansas has asked me to present this appeal to the President and Congress:

> Present freight rates are in many instances confiscatory and in practically all cases work a severe hardship on agricultural and live-stock producers and shippers, as well as the consuming public.
>
> Producers of grain and live stock are threatened with ruin if present conditions should continue longer. We believe the present deplorable condition of agriculture is due to discrimination against this basic industry in the matter of transportation, credit, tariff, and marketing. Notwithstanding the low price for food products received by the producers of the country, the consumer is forced to pay an increase of several hundred per cent over such prices.
>
> We strongly urge readjustment of railroad rates on a lower basis at the earliest possible moment.

I have been asked to lay before the Senate the following resolutions adopted at a conference of 500 shippers, held recently in Chicago, which included over 500 representatives of the leading agricultural, live-stock, and commercial organizations of the entire country:

the sovereignty of Rumania, an ancient sovereignty, and make certain prescriptions with regard to the rights of minorities. But I beg him to observe that he is overlooking the fact that he is asking the sanction of the allied and associated powers for great additions of territory which come to Rumania by the common victory of arms, and that, therefore, we are entitled to say: "If we agree to these additions of territory, we have the right to insist upon certain guaranties of peace."

"'I beg my friend Mr. Kramar and my friend Mr. Trumbitch and my friend Mr. Bratiano to believe that if we should feel that it is best to leave the words which they have wished to omit in the treaty it is not because we want to insist upon unreasonable conditions, but that we want the treaty to accord to us the right of judgment as to whether these are things which we can afford to guarantee.

"'Therefore the impressions with which we should disperse ought to be these, that we are all friends—of course, that goes without saying—but that we must all be associates in a common effort, and there can be no frank and earnest association in the common effort unless there is a common agreement as to what the rights and settlements are.

"'Now, if the agreement is a separate agreement among groups of us, that does not meet the object. If you should adopt the language suggested by the Czechoslovakian delegation and the Serbian delegation—the Jugo-Slav delegation—that it should be left to negotiation between the principal allied and associated powers and their several delegates, that would mean that after this whole conference is adjourned groups of them would determine what is to be the basis of the peace of the world. It seems to me that that would be a most dangerous idea to entertain, and therefore I beg that we may part with a sense, not of interference with each other but of hearty and friendly cooperation upon the only possible basis of guaranty. Where the great force lies there must be the sanction of peace. I sometimes wish in hearing an argument like this that I were the representative of a small power, so that what I said might be robbed of any mistaken significance, but I think you will agree with me that the United States has never shown any temper of aggression anywhere, and it lies in the heart of the people of the United States, as I am sure it lies in the hearts of the peoples of the other great powers, to form a common partnership of right and to do service to our associates and no kind of disservice.'"

AMENDMENT OF THE RULES—OPEN EXECUTIVE SESSIONS.

Mr. ASHURST. Mr. President——

Mr. WATSON of Indiana. As the Senator from Arizona is about to address the Senate on his amendment increasing the duty on cotton, I ask that the unfinished business may be laid before the Senate.

Mr. HARRISON. Will the Senator from Arizona yield merely for a brief announcement?

Mr. ASHURST. I yield.

Mr. HARRISON. This morning before the regular order was demanded I had moved the consideration of a resolution under a notice that had been filed some days before, to change the rules of the Senate. It is now only 40 minutes until the hour arrives to take up the unfinished business. I imagine that the resolution to which I refer will precipitate some debate, so I shall not press it during the morning hour this morning, but hope, with the acquiescence of Senators in charge of the pending legislation, to get it up to-morrow immediately following the speech of the senior Senator from Missouri [Mr. REED].

EMERGENCY TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent the dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

Mr. ASHURST. Mr. President, some misapprehension exists as to the meaning of lines 14 and 15 on page 3 of the emergency tariff bill, and I shall ask the Senate to indulge me while I try to make an explanation as to what those words and figures mean.

It will be remembered that when the emergency tariff bill was pending before the Senate in the third session of the Sixty-sixth Congress I offered an amendment practically the same as the amendment I am now going to discuss. The amendment was to strike out the numeral "7" and to insert the numeral "20" in the bill. The lines to which I now address myself are found on page 3 of the bill, lines 14 and 15 thereof, reading as follows:

16. Cotton having a staple of 1⅛ inches or more in length, 7 cents per pound.

My amendment proposes to strike out the numeral "7" and to insert in lieu thereof the numeral "20," so that the rate of duty would be 20 cents on cotton having a staple or fiber 1⅛ inches or more. The remarks I am about to make may be tedious to Senators, as they are statistical in character, but I believe it is my duty to make some explanation in detail as to the expansion of this industry. I now read from a pamphlet entitled "Cotton Production in the Irrigated Southwest in 1920," by Mr. C. S. Scofield, of the United States Department of Agriculture:

"COTTON PRODUCTION IN THE IRRIGATED SOUTHWEST IN 1920.

"THE DEVELOPMENT OF THE INDUSTRY.

"[By C. S. Scofield, United States Department of Agriculture.]

"Prior to 1905 cotton was practically an unknown crop on the irrigated lands of the southwestern United States. An attempt was made to produce the crop in the San Joaquin Valley in California in 1873 and 1874, but high labor costs and the low prices for the product caused the experiment to be abandoned.

"From 1905 to 1912 numerous experiments with cotton were made in the irrigated valleys of Arizona and southern California, and by 1912 the crop was fairly well established in several places. In that year the first commercial quantity of cotton of the Egyptian type was grown. Varieties of the American upland type were produced in commercial quantities as early as 1909.

"From 1912 to 1920 the acreage devoted to cotton has increased rapidly, particularly in the last three years, when the stimulus of war demands and consequent high prices have been felt. It is probable that, including some 30,000 acres of upland cotton in the Pecos and Rio Grande Valleys in Texas and New Mexico, there have been not far from 500,000 acres devoted to cotton in the Southwest in 1920. This acreage includes also about 125,000 acres in Lower California, adjacent to the Imperial Valley, operated largely under American supervision, the product of which is marketed through American channels.

"Of this half million acres of cotton about one-half, or 250,000 acres, was devoted to the production of the Pima variety, which is of the type known commercially as Egyptian. This variety produces a fiber 1½ to 1⅝ inches in length. For the acreage devoted to upland cotton there has been no standardization of seed supply, and there has been much varietal mixture and consequent deterioration. At first there were some fairly pure strains of Triumph or Mebane (1-inch staple) and of Durango (1¼-inch staple), but these have been intermixed and contaminated with still other varieties until there is practically no pure seed of upland cotton available for general planting in the Southwest. With the Pima variety there is an ample supply of pure planting seed available each year since 1917.

"During the last 10 years, within which the irrigated area devoted to cotton has extended from practically nothing to approximately 500,000 acres, there has been a very large extension of the area of irrigated land. In the aggregate and within the sections where cotton has been grown the increase of irrigated area has probably been nearly equal to the increase in cotton acreage. But the relatively high value of the cotton crop, and the requirements of capital, labor, and machinery for its production and marketing, and for the manufacture of its seed products, combine to make it a factor of the first importance in the agricultural complex of the irrigated Southwest.

"Because of its rapid growth and because of the profitable returns it has given in the past three years, this industry has attracted wide attention. In the matter of returns the industry has had two bad years—one in 1914, when the outbreak of the World War caused a temporary market stagnation, and the other in 1920, when a general decline in the prices of agricultural products set in late in the season, which had been conspicuous for the high costs of labor and materials required in production.

"It is still too early to determine the final effect of the present price recession on the cotton industry of this region, but it seems clear that it has temporarily at least reached the end of its first period of rapid expansion, and that it must from now on settle into a more stable equilibrium with its associated industries.

"THE TWO KINDS OF COTTON.

"The two kinds of cotton now being grown in the irrigated Southwest differ from each other in so many important respects—botanical, agronomic, and commercial—that they must be considered separately in order to avoid continual confusion in the discussion of the subject. It has been noted above that the upland type of cotton includes several varieties which have been hopelessly intermixed with consequent deterioration of quality and yield. The Pima cotton, on the other hand, is all of the one variety; the seed for the entire 250,000 acres grown in 1920 hav-

ing come from a single plant selected in 1911. Continuing care has been exercised to prevent varietal mixture either in the field or at the gin, and thus the most important, if not the only, cause of varietal deterioration has been eliminated.

"Upland cotton can be matured in a shorter growing season than Pima. The latter requires a growing season of 275 to 300 days between frosts, while the former may be grown safely with 225 days. Upland cotton is ginned on saw gins, while the Pima variety is ginned on roller gins. The lint of both types is marketed in the same kind of bales, and the seed of both types is manufactured in the same way. It has been the general experience in the Southwest that upland cotton yields somewhat more lint per acre than Pima, possibly 30 per cent more, but the yields of seed cotton are approximately the same for both kinds. On the other hand, the lint of the Pima variety has the higher market value, possibly double that of upland. The production costs are about the same for both, while the harvesting costs are nearly twice as much for Pima as for upland. It is not the purpose here, however, to discuss the relative merits of the two types of cotton for the region under consideration, but rather to point out the differences, and then to discuss certain features of each branch of the industry separately.

"THE UPLAND COTTON AREAS.

"Pecos Valley.

"Proceeding from East to West, cotton is found under irrigation first in the Pecos Valley in New Mexico and Texas. In this region of high altitude and short growing season only upland cotton can be grown. The 1920 crop is estimated at 7,000 bales, which probably represents about 10,000 acres, of which a small portion is presumed to be Durango and the remainder is made up of varieties of the Texas big boll type. In 1918 the pink bollworm was reported from one section of the valley, but prompt measures have apparently been successful in checking its spread. The Mexican boll weevil has not been reported as causing damage in this section.

"Rio Grande Valley.

"In the Rio Grande Valley, both north and south of El Paso, where water from the Elephant Butte Reservoir is available, upland cotton has been grown in 1919 and 1920. In the latter season it is reported that there were about 22,000 acres devoted to the crop. Earlier experiments with Pima cotton had shown that the season was too short for this variety because of the high altitude. Late in November, 1920, two areas of pink bollworm infestation were found. One just southeast of the city of El Paso and the other up the valley close to the line of New Mexico. The quarantine measures that may be necessitated by the presence of this insect, together with the present low prices for cotton, may cause a reduction of the cotton acreage in this section for the near future. The agronomic conditions have been very favorable, and if protection from insect injury can be had, the cotton crop should find an important place in this valley.

"Yuma Valley.

"On the Yuma reclamation project conditions are favorable to the production of both upland and Pima cotton. Upland cotton was first grown there on a substantial scale in 1914, but adverse market conditions that year caused a reduction in the acreage in 1915, while from 1916 on there has been a rapid increase. In 1917 some Egyptian cotton of the Yuma variety was planted, but the returns from the upland varieties were so high that this type continued to be the more commonly grown. In 1920 special inducements were offered by several tire companies for the production of Pima cotton, so that about 10,000 acres were planted to that variety, while possibly 15,000 to 18,000 acres were planted to upland varieties.

"As early as 1912 the Department of Agriculture recommended to the farmers of the Yuma Valley that they try cotton of the Egyptian type, but without result. In 1913 some Durango seed was distributed, and in 1914 Durango was planted extensively, as was Triumph and some other Texas varieties. At the present time the seed of these upland varieties has been so badly mixed that the 1920 crop is highly unsatisfactory. The quarantine regulations, both State and National, make it difficult, if not impossible, to import new supplies of planting seed, and there are indications that the farmers may be forced to establish for themselves locally supplies of pure seed for planting. It is not yet clear which of the varieties will be adopted, nor is it clear that in the present period of low prices there will be effective action taken to provide pure planting seed.

"It has been demonstrated that very large yields of cotton can be secured in the Yuma Valley, particularly in the lower valley near Somerton and Gadsden. On some of this land cotton-root rot is serious. Some insect pests and plant diseases have been troublesome—for example, the cotton aphis, the cotton stainer, and anthracnose. There have been some cultural difficulties, such as getting good stands and irrigating properly, but, on the whole, upland cotton has done well, and in years of good prices the crop returns have been satisfactory. Up to the present time neither the pink bollworm nor the Mexican boll weevil has been in this valley nor in the adjacent irrigated valleys of California.

"Imperial Valley.

"For purposes of discussing the cotton industry the Imperial Valley may be held to include the area irrigated by the diversion from the Colorado River at Pilot Knob, just above the international boundary. This area includes something over 130,000 acres of land in the territory of Baja California, Mexico, and something less than 400,000 in Imperial County, Calif. Cotton has been produced in substantial quantities in this region since 1910. In 1920 almost the whole of the irrigated area in Baja California was planted to cotton, while about 90,000 acres of the irrigated land in Imperial County was planted to cotton, of which about 28,000 acres was planted to the Pima variety. Prior to 1920 the Pima acreage in the Imperial Valley was so small as to be negligible, but this year the tire companies secured the planting of this variety in Imperial County by a system of contracts similar to those used in the Yuma Valley. There was very little Pima cotton planted on the Mexican side of the line.

"Except for two or three properties, all of the irrigated land in Baja California is operated under lease from the Colorado River Land Co. (successor of the California-Mexican Land & Cattle Co.). This cotton land is rented, generally for cash, first year $2.50, second year $5, third year $7.50, and fourth and fifth years $10 per acre. In addition, the renter pays the taxes, about $1.60 per acre, and the water charge, about $8 to $9 per acre. This acreage has been operated in large properties with rather shiftless cultural methods. It is estimated by a man familiar with local conditions that not over 10 per cent of this cotton land has ever been plowed, almost no attempt has been made to grow other crops than cotton, possibly for the reason that the Mexican Government has maintained very high duties, either export or import, that have tended to discourage general farming. Most of the money used for growing the cotton crop on the Mexican side of the line is provided by American concerns, among which the Globe Milling Co. has been latterly one of the most important. This concern now owns most of the ginning plants in the Imperial Valley, as well as one or more oil mills. It bought out recently the properties built up by Messrs. Dale and Speer, of Fort Worth and El Paso.

"The seed cotton, cotton seed, and cotton lint produced in Baja California is all marketed in the United States. On moving across the line through the port of Mexicali it is assessed the following export duties: For baled lint or seed cotton the export tax is equivalent to $12.54, American money, for each 1,000 kilos. For cotton seed the export tax is equivalent to $5.825, American money, for each 1,000 kilos. The Federal Horticultural Board of the United States Department of Agriculture is represented at Calexico by Mr. O. A. Pratt, who inspects the cotton fields in Baja California, supervises all imports from Mexico or the eastern United States with a view to preventing the introduction of dangerous insect pests, and issues permits for the importation of the Mexican-grown cotton into the United States.

"In Imperial County cotton was grown in 1920 on rather less than 25 per cent of the cropped land. This proportion of the acreage in cotton would not be in excess of the limits of good farming if the crop were incorporated into a systematic rotation. Too often this is not the case. Much of the cotton is grown year after year on the same land or put on new land by renters. Prior to 1919 the whole Imperial Valley suffered a water shortage some time each summer, often at a time when the need of water was most acute for the cotton crop. As a result of these conditions, there have been many poor yields, and the crop as a whole has been scarcely profitable to the growers even during the recent years of high prices.

"Partly because of these recurring water shortages and partly because of shifting and speculative propensities of the cotton growers of the valley, the cost of credit has been relatively high. There has been a conspicuous lack of community cooperation in dealing with such problems as seed supply, labor, and markets. Cotton production has not been handled efficiently, other industries have been periodically more profitable, and, taken as a whole, the cotton situation in the Imperial Valley falls short of being satisfactory. It seems probable that if the present marketing conditions continue the acreage next season will be reduced.

"Coachella Valley.

"The Coachella Valley, which is the name applied to a northwestward extension of the same depression in which the Im-

perial Valley lies, has not been an important cotton-producing section. Early truck crops and dates have attracted more attention than cotton, though there are many good-sized fields of that crop in the valley this year. Previous experiments had shown that the climatic conditions were rather too severe for Pima cotton, chiefly because of strong winds in the spring and high summer temperatures. Some upland cotton has been grown with rather indifferent success for several years. In 1920 the high prices prevailing for Pima cotton in the Salt River Valley attracted the attention of farmers in the Coachella Valley and an aggregate of a few hundred acres of Pima cotton was planted. A somewhat larger acreage, probably not over 1,000 or 1,500 acres, was also planted to upland varieties, including some thought to be Durango.

"The water supply of the Coachella Valley comes from moderately deep wells which tap an underflow, fed from the mountains which surround it on the west. In the lower end of the valley, the southeastern end, these wells flow freely; at the upper end, the westward end, it is necessary to lift the water 15 to 25 feet, for which cheap hydroelectric power, supplied by the Southern Sierras Co., is used.

"At the Indio Date Garden, of which Mr. Bruce Drummond is superintendent, two small plats of upland cotton of the Acala variety were planted in the spring of 1920. One of these plats was located on desert soil and the other on land that had been in alfalfa. Both plats were well cared for though rather a poor stand was obtained on the plat on alfalfa land. Despite the severe summer temperatures, the plants on both plats grew well and fruited abundantly. Prior to November 1 the desert-soil plat of a little over one-half acre had been picked twice and had yielded at the rate of 3,300 pounds of seed cotton per acre. The other plat had not all been picked over at the date mentioned, but so far as then picked was yielding at the rate of 3,000 pounds of seed cotton per acre. These plats were planted with fairly pure seed of the variety, and because of this fact and the high yield and attractive appearance of the crop they were attracting wide attention both in the Coachella and Imperial Valleys. It seems probable that some attempt will be made to give this variety further trial in this region and possibly also to provide for the continued production of a pure seed supply.

"It is hardly to be expected that a large acreage of cotton will be produced in the Coachella Valley, nor that the Pima variety will be grown there, but it may be that a small acreage may be devoted to the production of the Acala or some other upland variety on a pure-seed basis, with a view to selling planting seed in the Imperial Valley, or even in Texas and Oklahoma, where there is a continuing demand for pure seed of good vitality.

"San Joaquin Valley.

"In the San Joaquin Valley the first serious experiments with cotton production were begun in 1917 near Bakersfield and Fresno. In 1920 there is assumed to be something like 20,000 acres of cotton in the valley, of which about half is upland and half is Pima. Bakersfield and Fresno continue to be the chief centers, but there are several fields around different points between these towns and the Boston Land Co. west of Fresno has planted some 2,500 acres of cotton, chiefly Durango.

"Most of the planting seed for the San Joaquin upland cotton was brought from the Imperial Valley and is badly mixed. There is one lot of Acala cotton from seed sent from Oklahoma by the Department of Agriculture in the spring of 1919 that was grown on about 100 acres of land in 1920, which is still fairly pure and has made a good showing.

"Most of the cotton in the San Joaquin Valley is grown with pumped water, which is relatively expensive. On some of the higher lands the lift required is 100 feet or more. Unless the price of cotton should continue relatively high it is doubtful if upland cotton can be grown profitably on the higher lands. On the lower lands where the water lift is less and where alfalfa, barley, and rice are now the chief crops, it may be practicable to continue the production of upland cotton, particularly if pure seed of the long staple varieties is used.

"The outstanding feature of the San Joaquin Valley is the fruitfulness of cotton. This is true both with the upland and the Pima. There is much less boll shedding than in the valleys south and east and the potential yield is correspondingly high. There is danger, however, that ripening of the late crop may be hindered by foggy weather.

"In addition to the areas enumerated above, upland cotton has been grown in a number of other localities in the Irrigated Southwest, for example, in the Blythe district, the Parker Indian Reservation, and in several of the mountain valleys in southern California. In none of these has the acreage been very large. In some of them cotton may become relatively important with the development of additional water supplies.

"The preceding paragraphs may be summarized in a tabular statement as to the irrigated acreage of upland cotton in the Southwest in 1920, with the reservation that these figures are merely provisional estimates.

"Upland cotton in the irrigated Southwest in 1920.

	Acres.
Pecos Valley	10,000
Upper Rio Grande Valley	22,000
Yuma Valley	18,000
Imperial Valley, Mexico	125,000
Imperial Valley, Calif.	60,000
Coachella Valley	1,000
San Joaquin Valley	10,000
Other valleys	9,000
Total	255,000

"THE PRODUCTION OF PIMA COTTON.

"Prior to 1920 Pima cotton was extensively produced only in the Salt River Valley in Arizona. Experimental plantings had been made in other localities and the variety was well known throughout the region in which its production is possible. The Egyptian type of cotton to which the Pima belongs was first produced in the Salt River Valley in 1912. From that year until 1916 the original American selection, known as the Yuma variety, was used. The Pima variety, which came from a single plant of the Yuma variety, was selected in 1911 and was carefully tested during the next four years. Its superiority had been so clearly established by 1915 that arrangements were made to substitute it for the older variety in the Salt River Valley. Accordingly, a supply of seed sufficient to plant 275 acres was furnished a group of farmers near Tempe, Ariz., in the spring of 1916 and from this acreage a supply of pure seed was produced with which to plant the entire cotton acreage of the valley in 1917. This one variety has been grown exclusively in that valley since that time. The purity of the variety has been maintained by separate ginning and careful field inspection.

"The progress of cotton production in the Salt River Valley is shown in the following table, which gives the acreage and the yield of cotton for each year since 1912. The figures for acreage are only approximate; those for yields are as given in the ginning report published by the Bureau of the Census.

Cotton acreage and yields in the Salt River Valley.

	Acres.	Bales.
1912	480	375
1913	3,800	2,135
1914	12,000	6,187
1915	2,000	1,095
1916	6,800	3,331
1917	29,000	[1] 15,966
1918	78,000	[2] 36,187
1919	85,000	[2] 42,374
1920	180,000	[3]

[1] In addition to the acreage in the Salt River Valley there were 4,000 acres in the Yuma Valley and 200 acres in the Imperial Valley which contributed to this yield.
[2] In 1918 it is estimated that Pima cotton was grown on 3,000 acres in the Yuma Valley, 3,000 acres in the Imperial Valley, 2,000 acres in the San Joaquin Valley, and 500 acres in the Palo Verde Valley, the yield of which is included above. In 1919 there was probably as much of an acreage grown outside of the Salt River Valley.
[3] The complete ginning return for the 1920 crop is not available at the time of writing.

"The price at which this cotton has sold each year is obviously a difficult matter to determine. In the earlier years, when the crop was small, fairly accurate information was available, but in the later years, when the crop was larger and the marketing season extended over many months during which price changes were sometimes very great, it was no longer possible to learn the price at which the crop left the producers' hands. The following figures are set down as the best estimate that can be made of the average price obtained by the grower each year:

Approximate selling price of cotton in the Salt River Valley from 1912 to 1919, in cents per pound.

	Cents.
1912	21
1913	18.5
1914	15.5
1915	22
1916	42
1917	80
1918	55
1919	85

"It will be observed from a comparison of the two tables above that a marked increase in cotton acreage has followed promptly on a sharp advance in price. The acreage increase in 1920 was still further stimulated not only in the Salt River Valley but elsewhere in the Southwest by two factors: The price of cotton advanced rapidly throughout the marketing season from

an opening around 60 cents to a final price of $1.25, and several of the large tire manufacturing companies offered to contract with growers for the crop, with a guaranteed basis of 60 cents per pound and as much as 75 cents in some cases.

"The entire Pima acreage in the Southwest in 1920 may be provisionally estimated as follows:

	Acres.
Salt River Valley	185,000
Yuma Valley	10,000
Imperial Valley	30,000
San Joaquin Valley	10,000
Other valleys	5,000
Total	240,000

"From this acreage it would appear to be safe at the present time to estimate a crop of 120,000 bales.

"The entire acreage of irrigated cotton in the Southwest for 1920 may be estimated as follows:

	Upland.	Pima.
	Acres.	*Acres.*
Pecos Valley	10,000	
Upper Rio Grande	22,000	
Salt River Valley		185,000
Yuma Valley	18,000	10,000
Imperial Valley, Mexico	125,000	
Imperial Valley, California	60,000	30,000
Coachella Valley	1,000	100
San Joaquin Valley	10,000	10,000
Other valleys	9,000	5,000
Total	255,000	240,000

"GINS AND GINNING.

"The production of cotton involves the installation of gins and oil mills, and the character of the control of the former at least has a very important relation to the welfare of production. The following is a list of the roller gins operating in the Southwest in November, 1920, as furnished by Mr. S. H. Hastings and checked by Messrs. McLachlan and Camp:

"*Roller gins in the Southwest in 1920.*

SALT RIVER VALLEY.

Southwest Cotton Co.	180
McCall (Firestone)	80
Atha (American Thread Co.)	18
Tempe Exchange	10
Phoenix Ginning Co. (Fisk)	20
Farmers' Gin	20
Scottsdale (Cooperative)	10
Buckeye (Dunlap)	20
Mesa (Attaway-Phelps)	32
Total	390

YUMA VALLEY.

Southwest Cotton Co.	20
McCall (Firestone)	12
Total	32

IMPERIAL VALLEY.

Southwest Cotton Co.	40
Fowler (Fisk)	20
El Centro gin	6
Seeley	4
Total	70

SAN JOAQUIN VALLEY.

Arvin and Shafter (Cooperative)	20
Wasco	10
Bakersfield	18
Fresno	8
Total	56
Grand total	548

"These roller gins are capable of turning out 1½ to 2 bales of cotton per day if run continuously with two shifts of men. When equipped with self-feeders a 10-stand plant requires a crew of eight or nine men for its operation.

"Notwithstanding the large number of gins in the Salt River Valley in 1920, this number was not adequate to keep up with the volume of cotton being picked at the height of the season. In the latter part of November there were estimated to be 30,000 cotton pickers at work in that valley, gathering daily at least 1,000 tons of seed cotton, or the equivalent of 1,000 bales of lint. The daily ginning capacity was hardly above 700 bales per day.

"The charge made for ginning Pima cotton in 1920 is $1.20 per hundred pounds of seed cotton, which includes the bagging and ties and an assessment of $4 per bale for the support of the organization that imports the labor for picking. It is said, on good authority, that the actual cost of ginning is somewhat higher than this. In 1912 and 1913 the regular charge for ginning was about 50 cents per hundred pounds of seed cotton, or $10 per bale, and the gins as then operated required the services of one man at each gin as a feeder.

"The mechanical feeders now in general use seem to be giving good satisfaction. Some new departures are being made in the covering of the rolls on the gins. Formerly the gin rolls were covered with strips of heavy leather, wound spirally on a wooden core and glued and pegged in position. Latterly a type of heavy hydraulic packing, made of rubber and cotton, has been used. At first this packing was put on in a series of disks pressed close together; later it was used in spiral strips alternating with strips of leather. Finally some rolls are being tried with the packing used alone in the spiral form just as the leather was formerly used.

"The ginning of the upland cotton crop, which is done with saw gins, is in general adequately provided for. In fact, in the Imperial Valley there were more saw gins than were needed for the volume of the crop coming off the plants at the end of November. The charge for saw ginning is this year 35 cents per hundred pounds of seed cotton, with an additional charge of $2.25 per bale for bagging and ties.

"There are a number of oil mills in the Southwest for the manufacture of cotton seed. Prior to the war these mills paid about $15 per ton for seed. This price was advanced during the war until in 1919 seed sold up to $85, and possibly even as high as $100, per ton. In 1920 the price of seed dropped back to the general level of $15 to $20 per ton. These prices were so disappointing that many farmers who had live stock were hauling their seed home from the gin with the intention of feeding it unless a better price could be secured.

"Up to the present time it has not been customary to compress the Pima cotton at primary shipping points. Some of the crop, moving eastward by way of Galveston, has probably been compressed for ocean shipment, but much of the crop has gone through to the mills in the low-density bales turned out at the gin. The upland crop, on the other hand, has largely been compressed at primary points. There are two compresses in the Imperial Valley, one at Imperial and the other at Calexico.

"The Pima crop is sampled at the gin before the bale is packed. The upland crop is sampled in the gin yard or at the compress, each bale being slashed on both sides for the sample.

"THE LABOR SITUATION.

"One of the earliest problems in connection with the establishment of cotton production in the Southwest was that of securing the labor for picking the crop. Labor has always been relatively scarce and high priced in these new regions, and it was feared that the labor requirements of the cotton crop might be difficult to meet. At first it was thought that it might be possible to draw upon the Indians of the various Arizona reservations for the cotton-picking season, and during the first years that cotton was grown numbers of Pimas and Papagos were brought into the Salt River Valley for the picking season. As the cotton acreage was extended, however, it became clear that the supply of Indian labor available would not be sufficient to meet the needs of the cotton growers and it was decided to seek additional labor in Mexico.

"The effective importation of Mexican labor required money and united action. To meet these needs the farmers of the Salt River Valley formed a labor organization and selected Mr. W. H. Knox to take charge of the work. The necessary money was raised by an ingenious expedient. All of the gin owners of the valley were persuaded to sign an agreement that they would increase the ginning charge by $2 per bale above the regular charge and pay over to the labor organization the money so collected to be used as a fund for securing pickers.

"With these signed agreements as collateral the management of the labor organization was able to borrow from the local banks the money needed for its operations early in the season. This enterprise was launched in the summer of 1916. For the first two years labor was sought not only in Mexico but from Texas and Oklahoma and other points in the older cotton belt. Later it was found easier to get results from Mexico, so that recently that country has been the chief source of supply.

"It has been necessary for the labor organization to get a special dispensation from the Federal immigration authorities to bring this labor in. The immigrants not eligible for permanent entry must be returned to Mexico. It has been found advisable to bring in families, and this has necessitated the provision of medical care, shelter for living, and schooling for children. So far as can now be judged, this plan of importing labor has worked out well in the Salt River Valley. It has been possible to bring in sufficient labor to fill the need, and thus to prevent undue increases in the cost of cotton picking. At first the current rate of pay for cotton picking (Pima cotton) was

$2 per hundred pounds of seed cotton. This rate has been increased from time to time until in 1920 the pickers are paid $4 per hundred pounds.

"It is estimated by Mr. Knox that there were in the Salt River Valley in 1920 about 30,000 cotton pickers. Of these, about 15,000 were brought in from Mexico during the season, about 5,000 were Mexicans who had remained in the valley from previous seasons, and the remaining 10,000 included those diverted from other work in the valley and those who came in on their own account from other sections.

"Attempts have been made to extend the operations of the Salt River Valley labor organization to the Yuma and Imperial Valleys, but so far without conspicuous success. In the Imperial Valley south of the line it is possible to use Chinese, Japanese, and Mexicans almost without restriction, and that district has not suffered any serious labor shortage. North of the line it has been different, labor shortages have been perennial. This past season a serious attempt was made to form a central labor organization patterned after the one in the Salt River Valley. This failed because the ginners would not all agree to assess their patrons and thereby raise the funds. As a result of this lack of organization picking costs have been higher both in the Yuma and Imperial Valleys than in the Salt River Valley and the picking has not been so well done. Apparently no organized effort was made to get cotton pickers for the crop in the San Joaquin Valley this past season. There was, in consequence, a shortage of pickers even at the price of $5 per hundred, which is equivalent to 19 cents or 20 cents per pound of lint.

"It is estimated that on the average cotton pickers will gather from 60 pounds to 100 pounds of seed cotton per day when working in Pima fields and from 125 to 175 pounds per day in picking upland cotton. Thus on the basis of an average yield of 1,000 pounds of seed cotton per acre from Pima cotton provision must be made for 1 picker for each 6 acres of the crop. For upland cotton, on the other hand, 25 labor situation might be regarded as satisfactory if there were available 1 picker for each 12 acres.

"THE COST OF PRODUCTION.

"It is not proposed here to undertake to show how much it costs to produce a pound of cotton in the Southwest. To do so would be like attempting to say how much it costs to build a house. But just as one might in the latter case set down some fairly precise information as to the local prices of brick, cement, lumber, and skilled labor so it is possible to make some estimates at least of the costs involved in the production of cotton. However, these can be no more than estimates. The actual costs will differ from farm to farm and from section to section.

"The production of cotton in the Southwest involves the use of land, of irrigation water, of certain agricultural implements, of labor both of men and horses, of skilled supervision, and finally seed for planting. Items of cost or value such as these may be assessed against each acre of land involved, regardless of the yield obtained. When the crop is ready to harvest the cost items are more conveniently charged against some unit of the crop as the 100 pounds of seed cotton or the bale of lint.

"This matter of production costs is always one of acute interest to cotton growers, but in 1920 the interest became abnormally keen as the season advanced and market prices for cotton declined. Growers and bankers alike felt the need of taking stock of the situation, not only to deal with the immediate problem of operating credits but also to determine future course of action.

"It may be worth while before taking up current production costs to recall estimates made in 1913 and 1914, when cotton was a new crop in the Salt River Valley. Such estimates were published in Bulletin 332 of the United States Department of Agriculture. They may be listed as follows:

	Table [illegible].	Table V.
1. Fixed charges:		
Land rental or interest and taxes	[illegible].00	$17.25
Irrigation water	[illegible].50	2.00
	[illegible].50	19.25
2. Growing cost:		
Cultural operations and seed	[illegible].00	15.10
Total per acre cost	[illegible].50	34.35
3. Harvesting cost (per 100 pounds seed cotton):		
Picking	2.00	2.00
Hauling to gin	.21	.07
Ginning	.56	.56
Cost per 100 pounds seed cotton	2.77	2.63

"There were three different yields involved in the two tables cited above, (1) 1,200 pounds, (2) 1,800 pounds, and (3) 2,552 pounds, all in terms of seed cotton per acre. The first two were included in the estimate of Table IV and the third in Table V. If we divide the total cost per acre of Table IV by 1,200 we have $2.37, which, with the harvesting cost of $2.77, makes a total of $5.14 per hundred pounds of seed cotton. Similarly we find for the 1,800-pound yield a total cost of $1.58 plus $2.77, or $4.35. Finally, for the third case, with a yield of 2,552 pounds of seed cotton per acre, the cost is $1.35 plus $2.63, or $3.98.

"The ginning experience in 1913 and 1914 was that 100 pounds of seed cotton would yield about 28 pounds of lint and 72 pounds of seed. The seed could then be sold at the gin for $15 per ton, or 75 cents per hundred pounds. Thus, if we deduct from the cost of the 100 pounds of seed cotton the gin value of the 72 pounds of seed, we have, by dividing the 28 pounds of lint into the remainder, a figure for the net cost of the lint:

"Case 1. Yield, 1,200 pounds: $5.14—$0.54 = $\frac{\$4.60}{28}$ = 16.4 cents per pound lint.

"Case 2. Yield, 1,800 pounds: $4.35—$0.54 = $\frac{\$3.81}{28}$ = 13.6 cents per pound lint.

"Case 3. Yield, 2,552 pounds: $3.98—$0.54 = $\frac{\$3.44}{28}$ = 12.3 cents per pound lint.

"These figures are approximately what was thought to be the cost of production of Egyptian cotton in the Southwest in the first years of the industry. At that time it was thought that this type of cotton might bring on the average 20 to 22 cents per pound, at which price a fair profit might be made if good yields were obtained. The importance of high yields, even at some increase in the cost of cultural operations, is very obvious. The proportionate amount of fixed charges is so large that it is only with large yields that the unit cost of the product can be reduced.

"With this background of prewar costs in mind, we can make a comparable list of the costs prevailing in 1920. It should be kept in mind that in the six years since the time of the earlier estimate land values, as well as the cost of labor and material, have increased very greatly. While the figures given below do not represent any extensive compilation of data, it is believed that they represent fairly well the average of the rather wide range of costs. In the case of land rental or its equivalent, interest on investment, the range for 1920 was very great. Some good land under a long period of rental cost the operator only $15 per acre. On the other hand, land rented in the spring of 1920 committed the operator in some cases to as much as $84 per acre for the year. The costs of land preparation and of irrigation water also varied greatly, though probably within narrower limits than the item of land rental. On the other hand, the costs of picking and ginning were nearly if not quite the same in all cases, and the costs of most of the other labor operations were not widely different.

Cost of producing Pima cotton in the Salt River Valley in 1920, estimate.

1. Fixed charges:		
Land rental or interest and taxes	$35.00	
Use of machinery and equipment	3.75	
Irrigation water	5.00	
		$43.75
2. Growing cost:		
Cultural operations and seed	30.50	
Supervision	5.00	
		35.50
Total cost per acre		79.25
3. Harvesting cost (per 100 pounds seed cotton):		
Picking		4.00
Hauling to gin		.25
Ginning		1.20
Yardage, insurance, association fees		.35
Picking, supervision, tents, etc		.15
Total		5.95

"The ginning experience of 1920 showed that 100 pounds of seed cotton would yield about 25 pounds of lint and 75 pounds of seed. The price of seed was somewhat uncertain, but it is hardly safe to estimate it as above $20 per ton. It is thought that the average yield in 1920 will turn out to be a little above 1,000 pounds of seed cotton per acre (0.5 bale), with many fields giving only 800 pounds and a few giving 1,600 pounds. To cover this range the cost estimates may be given for yields of 800 pounds (0.4 bale), 1,200 pounds (0.6 bale), and 1,600 pounds (0.8 bale). With these data the complete formula for determining the cost of production for any yield may be stated as follows: Divide the acre cost of production by the yield of seed cotton, to the quotient add the harvesting cost, from this sum subtract the value of the seed, and divide the remainder by the

lint percentage to obtain the net cost per pound of lint. For the three yields mentioned we have the following:

1. Yield 800 pounds per acre:

$$\frac{\left\{\frac{\$79.25+\$5.95}{800}\right\}-.75}{25}=60.4 \text{ cents.}$$

2. Yield 1,200 pounds per acre:

$$\frac{\left\{\frac{\$79.25+\$5.95}{1,200}\right\}-.75}{25}=47.2 \text{ cents.}$$

3. Yield 1,600 pounds per acre:

$$\frac{\left\{\frac{\$79.25+\$5.95}{1,600}\right\}-.75}{25}=40.6 \text{ cents.}$$

"If we add to these three the formula for the half-bale yield generally estimated for the Salt River Valley we have:

4. Yield 1,000 pounds per acre:

$$\frac{\left\{\frac{\$79.25+\$5.95}{1000}\right\}-.75}{25}=52.6 \text{ cents.}$$

"This figure may be taken as a fair statement of the average cost of production for the valley in 1920.

"It may be proper at this point to consider the problem of how Pima cotton may be produced at a lower cost in the future. This reduction in cost may be accomplished either by obtaining larger yields or by lowering the land rental and wages, or by a combination of the two. If we are entering upon a period of economic readjustment during which lower prices prevail, it is inevitable that there must be lower returns on capital invested and a lower scale of wages for labor.

"Prior to the war land rentals in the Salt River Valley ranged around $15 per acre, and the wages of farm labor were little more than half those prevailing in 1920. The prices of agricultural machinery were also much lower five years ago. It is, of course, impossible to forecast the rate or the extent of price readjustment, but it is the part of wisdom to consider seriously how to reduce production costs.

"In order to simplify this problem as much as possible, at least two basic assumptions may be made, one that Pima seed cotton will turn out 25 per cent at the gin and the other that seed will be worth $20 a ton. With these two assumptions granted, it is possible to construct a table of cost and yield relationships that will show what yields must be secured with given production costs or what production costs can be allowed with a given yield in order to obtain cotton lint at a certain price. In this table production cost is held to include all charges assignable to an acre of cotton land, such as land rental or interest and taxes; use of machinery and equipment; irrigation water; all costs of growing the crop, such as preparation of the land and planting; planting seed; labor for irrigation, cultivation, thinning and weeding; and supervision of production operations. These items in the 1920 estimate, given above, totaled closed to $80 per acre. The item in the table designated as net harvesting cost is made to include the cost of picking; hauling to gin; ginning; yardage, insurance, and association fees, picking supervision, tents, etc., less the value of the cotton seed at the gin. Thus, the net harvesting cost given in the 1920 estimate was slightly above $5 per hundred pounds of seed cotton.

"The following table shows in a striking way how the cost of the lint declines as yields increase. Thus, in the first line of the table, with a production cost of $80 per acre and a net harvesting cost of $5 per hundred pounds of seed cotton, the lint cost is 60 cents per pound when the yield is 800 pounds of seed cotton per acre and only 36 cents per pound when the yield is 2,000 pounds of seed cotton per acre. On the other hand, if it is possible to reduce the production cost to $50 per acre and the net harvesting cost to $4 per hundred, a yield of only 1,000 pounds per acre can be made at 36 cents.

Table showing the net cost of cotton lint, in cents per pound, with different rates of production cost, harvesting cost, and yield of seed cotton.

$$\frac{\frac{P}{Y}+H}{G}=C \qquad G=25 \text{ per cent.}$$

P	H	Y 800	Y 1,000	Y 1,200	Y 1,400	Y 1,600	Y 1,800	Y 2,000
		Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
$50	$5	60.0	52.0	46.6	42.8	40.0	37.7	36.0
	4	56.0	48.0	42.6	38.8	36.0	33.7	32.0
	3	52.0	44.0	38.6	34.4	32.0	29.7	28.0
$70	5	55.0	48.0	43.3	40.0	37.5	35.5	34.0
	4	51.0	44.0	39.3	36.0	33.5	31.5	30.0
	3	47.0	40.0	35.3	32.0	29.5	27.5	26.0
$90	5	50.0	44.0	40.0	37.1	35.0	33.3	32.0
	4	46.0	40.0	36.0	33.1	31.0	29.3	28.0
	3	42.0	36.0	32.0	29.1	27.0	25.3	24.0

Table showing the net cost of cotton lint, in cents per pound, with different rates of production cost, harvesting cost, and yield of seed cotton—Continued.

P	H	Y 800	Y 1,000	Y 1,200	Y 1,400	Y 1,600	Y 1,800	Y 2,000
		Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
$50	$5	45.0	40.0	36.6	34.2	32.5	31.0	30.0
	4	41.0	36.0	32.6	30.2	28.5	27.0	26.0
	3	37.0	32.0	28.6	26.2	24.5	23.0	22.0
$45	5	42.5	38.0	35.0	32.5	31.2	30.0	29.0
	4	38.5	34.0	31.0	28.8	27.2	26.0	25.0
	3	34.5	30.0	27.0	24.8	23.2	22.0	21.0
$40	5	40.0	36.0	33.3	31.4	30.0	28.9	28.0
	4	36.0	32.0	29.3	27.4	26.0	24.9	24.0
	3	32.0	28.0	25.3	23.4	22.0	20.9	20.0
$35	5	37.5	34.0	31.7	30.0	28.8	27.8	27.0
	4	33.5	30.0	27.7	26.0	24.8	23.8	23.0
	3	29.5	26.0	23.7	22.0	20.8	19.8	19.0
$30	5	35.0	32.0	30.0	28.5	27.5	26.6	26.0
	4	31.0	28.0	26.0	24.5	23.5	22.6	22.0
	3	27.0	24.0	22.0	20.5	19.5	18.6	18.0

NOTE.—In the column headed "*P*" the production cost is given in dollars per acre. In the column headed "*H*" the net harvesting cost is given in dollars per hundred pounds of seed cotton. In each yield column is given the corresponding cost of lint in cents per pound. In making these computations it is assumed that the seed cotton yields 25 per cent of lint and that the seed is worth $20 per ton.

"In considering the cost of producing upland cotton in the Southwest a somewhat different set of figures must be used. In some cases where upland cotton has been produced on less valuable land than Pima cotton the yields, in terms of seed cotton, have been approximately the same, though because of the higher ginning percentage upland has given distinctly higher lint yields. The cost of picking and ginning has been much less.

"On the other hand, the production costs, except for a possibly lower land rental, are approximately the same for the two kinds of cotton. The harvesting costs may be estimated for the season of 1920 as follows:

Harvesting cost (per 100 pounds of seed cotton, upland):	
Picking	$2.00
Hauling to gin	.25
Ginning, $0.35, including bag and ties	.50
Yardage, insurance, association fees	.33
Picking supervision, tents, etc	.15
Total	3.25

"From this total there may be deducted the value of the cotton seed at the gin. With a ginning outturn of 33 per cent of lint there should be left 67 pounds of seed, which may be estimated as worth $20 per ton. This taken from the total harvesting cost leaves $2.58 as the net harvesting cost.

"If it is assumed that the average yield of upland seed cotton in the irrigated Southwest in 1920 was 1,000 pounds per acre, or two-thirds of a bale, and that the production cost was as much as $10 per acre less than for the Pima, because of lower land rental, we find by reference to the following table that the cost of lint would be close to 29 cents per pound.

Table showing the net cost of lint, in cents per pound, with different rates of production cost, harvesting cost, and yield of seed cotton.

$$\frac{\frac{P}{Y}+H}{G}=C \qquad G=33 \text{ per cent.}$$

P	H	Y 800	Y 1,000	Y 1,200	Y 1,400	Y 1,600	Y 1,800	Y 2,000
		Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
$80	$2.50	37.9	31.8	27.7	24.9	22.7	21.0	19.7
	2.00	36.4	30.3	26.2	23.4	21.2	19.5	18.2
	1.50	34.9	28.8	24.7	21.9	19.7	18.0	16.7
$70	2.50	32.6	28.8	25.2	22.7	20.8	19.4	18.2
	2.00	31.1	27.3	23.7	21.2	19.3	17.9	16.7
	1.50	29.6	25.8	22.2	19.7	17.8	16.4	15.2
$60	2.50	30.3	25.7	22.7	20.6	18.9	17.7	16.7
	2.00	28.8	24.2	21.2	19.1	17.4	16.2	15.2
	1.50	27.3	22.7	19.7	17.6	15.9	14.7	13.7
$50	2.50	26.5	22.7	20.2	18.4	17.1	16.0	15.2
	2.00	25.0	21.2	18.7	16.9	15.6	14.5	13.7
	1.50	23.5	19.7	17.2	15.4	14.1	13.0	12.2
$45	2.50	24.6	21.2	18.9	17.3	16.1	15.2	14.4
	2.00	23.1	19.7	17.4	15.8	14.6	13.7	12.9
	1.50	21.5	18.2	15.9	14.3	13.1	12.2	11.4
$40	2.50	22.7	19.7	17.7	16.2	15.2	14.3	13.6
	2.00	21.2	18.2	16.2	14.7	13.7	12.8	12.1
	1.50	19.7	16.7	14.7	13.2	12.2	11.3	10.6
$35	2.50	20.8	18.2	16.4	15.2	14.2	13.5	12.9
	2.00	19.3	16.7	14.9	13.7	12.7	12.0	11.4
	1.50	17.8	15.2	13.4	12.2	11.2	10.5	9.9
$30	2.50	18.9	16.7	15.2	14.1	13.3	12.6	12.1
	2.00	17.4	15.2	13.7	12.6	11.8	11.1	10.6
	1.50	15.9	13.7	12.2	11.1	10.3	9.6	9.1

NOTE.—In the column headed "*P*" the production cost is given in dollars per acre. In the column headed "*H*" the net harvesting cost is given in dollars per hundred pounds of seed cotton. In each yield column is given the corresponding cost of lint in cents per pound. In making these computations it is assumed that the seed cotton yields 33 per cent of lint and that the seed is worth $20 per ton.

"It has been the general experience for many years that cotton of 1⅛-inch staple, such as the Pima, is worth in the market one year with another about twice as much per pound as upland cotton of 1-inch staple. There is no good reason for expecting that this price relationship will be changed materially in the near future.

"Even in the demoralized market at the close of the year 1920, when upland cotton is worth only 12 cents to 13 cents to the grower in the Southwest, Pima cotton could be sold at better than 30 cents. Where the two kinds of cotton have been grown on the same class of land in 1920 each yielding 1,000 pounds of seed cotton per acre, equivalent to one-half of a bale of Pima and two-thirds of a bale of upland, it will be seen by reference to the two preceding cost tables that the net cost of the Pima lint is nowhere twice as much as the net cost of the upland lint. Even with the lowest production cost given in the table, $30 per acre, and allowing the corresponding net harvesting costs of $5 for Pima and $2.50 for upland, the table shows that for the 1,000-pound yield a lint cost of 32 cents for Pima and of 16.7 cents for upland. A comparison of these net costs with current market values gives no ground for changing from Pima production to the production of upland cotton.

"THE IMPORTANCE OF INCREASED YIELDS.

"The most conspicuous feature of the cotton situation in the Southwest in 1920 was the importance of growing larger yields. It was to be expected that with such a large increase in acreage much of the land planted to cotton would be found unsuited to the crop, and many of the farmers with little or no previous experience would make serious mistakes in the cultural operations, particularly in irrigation.

"It is not the purpose here to attempt to point out in detail the mistakes made in land selection or in cultural practice. It is intended rather to point out that large yields are essential to cheap production. To make this point clear one has only to study the tables given in the previous chapter. Take, for instance, the first of these which deals with Pima cotton, the first line of which shows a production cost of $80 per acre and a net harvesting cost of $5 per hundred pounds of seed cotton. When the yield is 800 pounds per acre the net cost of lint is shown to be 60 cents per pound. With a yield of 2,000 pounds of seed cotton per acre, not an unusual yield for good land and good care, shows a net cost of only 36 cents per pound of lint.

"This matter can be stated in another way. Supposing there were two farmers growing cotton with a scale of harvesting costs that would net $5 per hundred pounds of seed cotton and with a market outlet at 35 cents per pound for the lint, so that they would aim to make the crop for at least 30 cents per pound. If one of them should so handle his operations as to make a crop of 1,200 pounds of seed cotton while his neighbor with more skill or better land made 1,800 pounds per acre, the first farmer would get only $40 per acre to cover production costs and land rental, while the other would have $60 to apply on the same account.

"Some of the land in the Salt River Valley, for instance, is not well suited to cotton because of some inherent quality, such as alkali or liability to root rot. But for the most part the low yields that have been obtained have been due either to adverse climatic conditions, improper cultural management, or lack of suitable crop rotation. Of these difficulties the two last named may be overcome and doubtless will be in large measure, as experience is accumulated.

"THE CLIMATIC DIFFICULTIES.

"The cotton crop in the Southwest is subject to the hazards of climate no less than in the eastern cotton belt. Cold weather in the early spring, rain that crusts the ground after the crop is planted, wind and hail during the growing season, excessively hot weather during the flowering period, and occasional water shortage during the critical months of late summer when the crop is making, and early autumn frosts make up a formidable array of hazards. Add to these plant lice and cotton stainers, with an occasional epidemic of 'black arm' and there are surely troubles enough.

"Fortunately, however, it is unlikely that all these adversities will occur in any one season. And there is one outstanding advantage, the season of the cotton harvest is seldom rainy or windy, so that field damage is relatively slight.

"The season of 1920 was characterized by a cool, late spring, followed by a period of favorable growing weather which was in turn followed by a period of excessive heat. The first killing frost in the autumn did not come until near the end of November, except in the San Joaquin Valley, where a killing frost occurred on October 31.

"In other seasons there have been killing frosts in all the southwestern valleys as early in the fall as was the case in the San Joaquin Valley this year. When a killing frost occurs it stops the growth of the cotton plant, but it does not ordinarily injure the bolls that are nearly or quite mature, but have not yet opened. It is the usual thing for these bolls that are full-sized, but green at the time of frost, to burst open within a week or 10 days after the frost, so that the final picking can be made.

"In the San Joaquin Valley this season it was observed that the normal frost opening did not occur, particularly on the lower lands of the valley. On the higher lands the early frost was less severe, and the weather after the frost was drier and nearly normal frost-opening occurred. On the lower lands, however, fields seen a month after the frost showed very little frost-opening. A few bolls on the upper part of the plant had cracked at the tip but had not fluffed out so as to permit easy picking, while the bolls on the lower part of the plant where the bulk of the crop was borne had not cracked at all.

"In seeking an explanation of this phenomenon it was learned that the weather in the valley during November had been unusually humid. There had been a number of rainy and cloudy days, and also many days in which the morning fog had hung over the valley bottom until well into the middle of the day. The humidity record of the Weather Bureau station at Fresno shows that the month of November, 1920, was more humid than normal, while the same month in 1919 was less humid than normal. The significant data are given in the following table.

"Dry-bulb temperatures in degrees F., and relative humidity in per cent for November, 1919, and November, 1920, and the normal relative humidity for the month, as reported from the Weather Bureau station at Fresno, Calif. Station located 89 feet above the ground:

	Dry bulb.			Relative humidity, per cent.		
	5 a. m.	Local noon.	5 p. m.	5 a. m.	Local noon.	5 p. m.
November, 1919, mean	43.1	61.1	62.3	59.4	35.9	31.5
November, 1920, mean	46.9	60.1	60.0	84.4	55.7	57.5
Normal				78.3	49.2	48.0

"This delayed opening of the bolls was observed on both Pima and upland cotton, and if such conditions are found to be of frequent occurrence they may constitute a serious obstacle to the extension of cotton production in the lower part of the valley, where the cheaper land and cheaper irrigation water would otherwise favor such extension. This autumn humidity, if it proves to be a serious obstacle to cotton production, is the more to be regretted, because the climatic conditions of the summer appear to be particularly favorable to heavy fruiting of cotton. It has been observed that cotton plants of both types are more fruitful in the San Joaquin Valley than in the other valleys of the Southwest. They seem to produce more flowers and a larger proportion of the flowers develop into bolls than is the case in the other valleys.

"It is probable that this greater fruitfulness is associated with the less extreme summer temperatures, though other factors may be involved. It is clear that there is ordinarily much less boll shedding in the San Joaquin Valley than in the other southwestern valleys.

"BOLL SHEDDING.

"The flower of the cotton plant is borne at the node of a fruiting branch, the flower pedicle being attached to the node close to one side of axil of the leaf. When the plant is subjected to certain adverse conditions during the flowering period, the flower bud, the flower, or the young boll may be dropped off the plant by a process similar to that by which mature leaves are dropped from deciduous plants. This reaction is known as boll shedding, and is one of the chief causes of reduced yields in the Southwest. The exact cause of boll shedding is not yet definitely known. It is believed to result from a combination of high temperatures and a sudden change in the water supply available to the plant.

"It has been observed that upland cotton reacts more quickly to the conditions that cause shedding than Pima cotton, but, on the other hand, when these conditions become particularly severe the final loss to the Pima cotton is likely to be greater than to upland cotton. This may be explained by the capacity of the upland cotton to recover more quickly than Pima cotton and put on more fruit late in the season when conditions are more favorable.

"Boll shedding was so severe on Pima cotton in 1920 as to attract general attention. It is estimated that in some cases fully half the potential crop was lost in this way. In many fields the plants had practically no fruit on the lower branches, and the first few nodes on the branches near the middle of the plant had lost their fruit.

"The outstanding characteristic of the Pima cotton in the San Joaquin Valley was that the fruit was held on the lower branches as well as on the upper ones. Though final maturity was checked by an early frost, the crop was on the plants. The plants in the San Joaquin Valley bore fruiting branches at the eighth or ninth node of the main stem, and these lower branches held their crop. In the Imperial and Salt River Valleys, on the other hand, few plants bore fruiting branches below the sixteenth node, and often these lower branches were bare of fruit.

"There was sufficient uniformity in the plant reactions in the different valleys to indicate that climatic rather than cultural differences were primarily responsible. But there were sufficient differences from field to field in the same section to indicate that the adverse effect of climatic conditions could be minimized, to some extent at least, by the proper cultural practice. Just what this proper cultural practice is remains to be determined. It is probably to be sought in the matter of irrigation. There is some reason for believing that if the irrigation water is so applied that the plants do not suffer for water during excessively hot weather in the flowering period the tendency to shed the fruit may be checked. There is probably a soil relationship as well—that is, a soil that is very permeable and has at the same time a relatively high water-holding capacity, so that the extremes of available moisture supply are less acute, may be found to have a restraining effect on boll shedding.

"If it should be found that more uniform soil moisture conditions during the flowering period actually offsets to some extent the injurious effects of very hot weather, it would be important to avoid overdoing the remedy. During the early years of Pima cotton production it was observed that farmers were inclined to give the crop too much water during the early period of its growth. Too much irrigation early in the season appears to stimulate the vegetative growth of the plants at the expense of fruit production, and to increase also the difficulty of picking, because of the larger size of the plants. It may be possible to restrict irrigation early in the season before flowering time, thus checking excessive vegetative growth, and then irrigate frequently enough during the flowering and fruiting period, and particularly during the times of very hot weather, so as to check boll shedding, without forcing the plants into too much growth. Experiments to determine this point would seem to be well worth while; for, as the matter stands at present, boll shedding is a very serious factor in reducing yields in the irrigated Southwest, and cotton producers must find a way of getting larger yields if profitable crops are to be made under present economic conditions.

"COTTON PRODUCTION AND OTHER CROP INDUSTRIES.

"It is a well-recognized fact that cotton production can not be continued on the same land for an indefinite number of years without a decline in yield. It is not possible, however, to predict the rate of decline in any given case. On some land, naturally rich, the rate of decline would probably be slow. In some cases as many as eight successive crops have been grown with the last one showing no serious signs of distress. In other cases the second or third successive crop has shown a marked decline in productivity.

"When cotton was first proposed as a crop for the Southwest it was thought that in case it proved profitable it might come to occupy as much as 25 per cent or even 30 per cent of the cropped land. With this proportion of the land in cotton it was thought that a satisfactory system of crop rotation could be worked out, including alfalfa, grain, and truck crops. The profitable production of grain and alfalfa in the irrigated Southwest presupposes the feeding of live stock on the farms, for these commodities are too bulky to justify long shipment to market. Live-stock production, in itself ordinarily profitable, also gives a by-product of farm manure which if used on cotton land greatly increases yields.

"The abnormal prices for cotton during and since the war have stimulated cotton production to such an extent that in the Salt River Valley at least the cotton acreage in 1920 was nearly equal to the combined acreage of all other crops. It is hardly to be expected that such a large proportion of the land in this valley will be put in cotton again in the near future. Already plans are being made to put some of the cotton land back into alfalfa and more of it will doubtless go into grain sorghums next summer. But such crops are profitable only if fed to live stock on or near the project, and at the present time the live stock population of the Salt River Valley is not large enough to consume much more alfalfa and grain than is now grown.

"The obvious need for the welfare of that valley is to increase its live-stock population, but that is another story.

"The present discussion of cotton in relation to other crop industries may be limited to pointing out two important considerations, namely, these other industries should be profitable in themselves and not used solely or too largely as a means of maintaining cotton yields and thus stand, in a measure, as an expense against the cotton crop; and cotton can not be grown continuously and profitably under conditions where its essential associated crops, such as alfalfa and grain, can not be grown at a profit on their own account. This second consideration is intended to apply to those sections where, because of recent high prices, cotton production has been undertaken with land and water costs so high that the production of alfalfa and grain is conceded to be out of the question.

"SYNDICATED COTTON PRODUCTION.

"The term 'syndicated production' is used here in reference to large scale production operations, whether individual, partnership, or corporate, as to management. When a single organization operates several thousand acres, all or chiefly in a crop like cotton, it has to deal with problems which differ in important respects from those of a farmer operating 100 acres or less. In the irrigated Southwest there are a number of cases where as much as 5,000 acres and even 10,000 acres of land is operated under a single management.

"There is, of course, nothing very unusual in this so far as size alone is concerned; the unusual feature lies in the fact that almost without exception those who are managing these large producing enterprises have had no previous experience or training in such work. Some of them may have had some farming experience and some of them have had experience in large-scale operations in other lines, but for most of them, if not for all of them, large-scale cotton production is a new experience. The remarkable thing, then, about these syndicated enterprises is not that serious mistakes and miscalculations have been made in their management, but that they have been even passably successful.

"These syndicated production enterprises, particularly those inaugurated by interests associated with the manufacture or use of cotton, have served one very useful purpose: They have given the farmers and bankers of the Southwest confidence in the ultimate stability of the market for cotton. These farmers and bankers, some of whom were at first skeptical as to whether there would be a satisfactory and continuing market for cotton, saw no further occasion for doubt on this point when the ultimate consumer began to invest large sums of money in production.

"There is no very obvious reason why cotton can not be produced on a large scale nearly or quite as efficiently and economically as on a small scale. But this can not be done if the large-scale producer does not know or disregards the fundamental agronomic or economic principles of cotton farming. Without undertaking to formulate all these fundamental principles, the following may be set down as among the more important for the cases under consideration:

"1. The average cotton farm is not very profitable and the large enterprise must get better than average yields at little if any more than average production costs if it is to return a profit on the investment.

"2. Expensive overhead costs must be avoided and labor must be continuously and effectively employed.

"3. Cotton must be grown in rotation with other crops if yields are to be maintained and labor and equipment effectively utilized.

"4. The other crops grown in connection with cotton for purposes of rotation must be so produced and utilized as to return at least a small profit on their own account and not stand as a liability against the cotton crop.

"5. The whole operation should be so conceived and conducted as to pay a reasonable return on the investment over a period of years and not so as to have to look for ultimate profit to an increase in land values.

"It may be urged that most of the actual profits that have been made in American farming have been derived from the progressive increase in land prices and not from the difference between production cost and crop returns. But it would be unsound economics to hold that the increase in land prices can go on indefinitely. There is reason for believing that in some sections of the country it has already gone too far.

"There may be a justification for syndicated cotton production when undertaken by cotton manufacturers which would not hold for others. This lies in the fact that certain users of cotton have such specialized requirements and their needs are so exigent that they can not afford to depend for their supplies of raw material on the hazards of a fluctuating market or the whims of a group of farmers who may change from one kind of cotton to another in a season or two. In such a case the cotton manufacturer might be justified in undertaking to produce all, or at least a large part, of the cotton he required, not so much because he could hope to do so cheaper than it could be done by farmers but because he could thereby reduce the hazards of his business.

"RELATIONS OF MANUFACTURERS TO COTTON PRODUCERS.

"One of the outstanding features of cotton production in the United States has been that cotton manufacturers have not maintained close relationships with cotton producers. Until recent years the two were completely separated geographically, cotton manufacturing being done almost wholly in New England or overseas. Within the last few years a number of cotton-manufacturing plants have been built in the South, but even these are quite as likely to draw their supplies of cotton from distant parts of the cotton belt as from near by.

"The producers of cotton and the users of the raw material have had almost no direct dealings with each other. The gap has been bridged by an elaborate system of middlemen. These middlemen have served, and doubtless continue to serve, many useful purposes, but they have also acted as a very effective insulation between the producers and manufacturers of cotton. It is very largely because of this insulation that the special needs and the ultimate discriminations of the manufacturers have been so slow in finding their way back to the producer.

"While the manufacturers of cotton have not maintained direct relationships with the producer, the manufacturers of cottonseed products have taken a different course. They have built their plants in the very midst of the cotton fields, and in many cases have built and operated ginning plants for the use of the farmers. Through these ginning plants the seed manufacturers have been able to establish direct relations with the producer. They have largely determined the kind of cotton that should be planted, because they have had planting seed to sell, and they have in many cases acted as the agents through whom the farmer secured credit for the production of his crop. Because of this advantage of position the cottonseed-oil man has been in position to influence the farmer in certain important matters. Were it to his interest to do so he might exert a powerful influence in such matters as classing, picking and better baling.

"This important advantage of position has only recently been appreciated by a few cotton manufacturers. These have begun, particularly in the Southwest, to establish plants to furnish planting seed, to provide credit for growing the crop, and in some cases to contract in advance for the lint produced. This course of procedure may come to be regarded as an alternative to syndicated production. It has the advantage of being cheaper to undertake and of being less likely to result in serious loss.

"The service of establishing and operating a cotton-ginning plant and providing of credit for crop production partakes somewhat of the character and involves some of the responsibilities of a public service. Because of that fact, persons thus engaged are in a measure subject to public regulation, and unless the business is conducted in a satisfactory manner it will not be possible to exercise much influence through such agencies. If a cotton manufacturer aims to use these agencies as a means of obtaining a fairly constant supply of a certain type of cotton, he must so conduct them as to retain the confidence and good will of his patrons. This should not be a very difficult matter, particularly if he is prepared to operate as part of his business at a small profit or even at a small loss in order to provide himself with a continuing supply of cotton. Probably the most important feature of such an arrangement as the one outlined is the opportunity to provide cotton growers with planting seed. The kind of seed planted very largely determines the kind of cotton obtained, and it is upon the proper management of the ginning business that the purity and value of the seed supply depends.

"SEED SUPPLIES.

"Certain differences between Pima cotton and the upland varieties grown in the Southwest have already been mentioned. None of these differences is more marked than is the contrast as regards seed supply. Ever since Pima cotton was first grown in the Salt River Valley the matter of maintaining the purity of the seed has been given most serious consideration. A group of farmers organized under the somewhat inappropriate name of the Tempe Cotton Exchange has assumed responsible leadership in supervising the production and distribution of planting seed. They have operated one 10-stand gin at Tempe, which has ginned only cotton from selected fields intended to supply seed. The seed is delinted and bagged at the gin and stored in a concrete warehouse. Each bag of seed is stamped with the variety name and the association mark, and it is now planned to ticket each bag with a certificate of inspection provided by the county agent.

"The records of field production of the seed supply are so handled that each bag of seed bears a number which shows when that particular stock of seed was inspected in the field to insure its purity. The system of field roguing and inspection has been described in detail elsewhere and need not be further mentioned here. During the past two seasons it has been necessary for the Southwest Cotton Co. to assist the Tempe Exchange in ginning and storing the seed supply. The capacity of the exchange gin is only about two and a half million pounds of seed, which has not been enough to supply the demand in the Salt River Valley and the other sections of the Southwest. In the spring of 1920 the demand for seed was so great that all of the pure seed was used for the first planting. The spring weather was cold and more than the usual replanting was required. As a result it was necessary to use some seed that had been run into oil-mill warehouses. Although this oil-mill seed was all grown locally, and therefore reasonably pure, there was enough seed in it of hybrid origin so that hybrid and off-type plants could be seen in every field in which it was used. This year's experience is a striking demonstration of the importance of guarding the seed supply continuously, even in a community where no other type of cotton is grown.

"It is hard to describe the seed supply situation in the upland cotton districts. There have been supplies of pure seed in these sections in time past. There was at one time a large supply of Durango seed and shipments of pure seed of other varieties have been brought in from time to time. These stocks have been so effectively mixed at the gins that it is now almost impossible to distinguish them. This mixture of varieties would be much less serious if it were possible to bring in new supplies of seed, but the danger of insect invasion is so great that it has been necessary to prohibit the westward movement of seed.

"The effect of this general mixture of the upland varieties has been shown both in decreased yields and in reduced prices for the lint. For several years the upland cotton from the irrigated Southwest sold at a premium over similar eastern cotton because of its bright color. Recently, however, there has been a pronounced tendency to discriminate against it because of the irregularity in length of staple, despite its better grade.

"If there is to be maintained a continuing production of upland cotton in the Southwest it seems clear that some provision must be made to produce locally a supply of better planting seed than that now available. In fact, it would seem that one of the best reasons for continuing to grow upland cotton on high-priced irrigated land would be found in the production of pure stocks of planting seed to ship to the main cotton belt. One of the serious problems in the east is that in wet seasons the seed loses its vitality before planting time. In this respect the seed from the dry western valleys would have a very great advantage.

"FINANCING AND MARKETING THE CROP.

"It may be assumed from the figures given in preceding pages that the cotton crop of the irrigated Southwest in 1920 will turn out about 120,000 bales of Pima cotton, about 160,000 bales of upland cotton, and about 170,000 tons of seed, and that the production and harvesting of this crop up to the time it is ready for market will involve the use of money or credit to the sum of about $50,000,000. This money or credit is chiefly supplied through the local banks.

"In the case of the Salt River Valley alone the total investment in the production and harvesting of the Pima crop must be not less than $20,000,000. The bank resources of Phoenix, the financial center of the valley, were reported in the recent census as $27,500,000. Clearly the financing of the production of the cotton crop is among the most important of the problems of the Phoenix bankers. The daily interest charge on the money invested in the Salt River Valley cotton crop this year is something over $4,000. With the turn of the year new calls must be met for funds for the next season's operations and other crops and industries demand credit accommodations, for only about half the acreage of the valley is devoted to cotton. The 1920 cotton crop must be placed on another credit basis.

"In the last two or three seasons the cotton crop was much smaller in amount, if not much less in aggregate value, and buyers from the east were bidding for it actively as it came from the gins. This season buyers are holding off. Some cotton has been consigned to eastern points on credit advances ranging from $175 per bale down to $100 per bale for Pima. These advances were not sufficient, in some cases at least, to release the cotton from the obligations already made against it. This situation was rapidly becoming serious in the latter part of November and continues so. It is receiving, as it deserves, the serious attention of the best minds in the community, and in this, as in other difficulties that have been met and overcome, there is a spirit of community action and community confidence that is indomitable.

"In conclusion it may be said that while the production of cotton under irrigation in the Southwest has scarcely yet passed beyond the experimental stage, it has been given a fair trial. The present indications are that it will be continued, though probably on a reduced scale, for the next few years. The experiment has gone far enough to demonstrate that good cotton can be grown, that varietal purity and high quality of product can be maintained where proper attention is given to the matter of seed supplies. At present it is doubtful if there is another crop that could be extensively substituted for cotton that would give better returns for the labor and capital invested."

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

Mr. ASHURST. Certainly.

Mr. McKELLAR. I notice that the Senator's amendment is to increase the duty on cotton 20 per cent.

Mr. ASHURST. The amendment proposes to increase the duty from 7 cents a pound to 20 cents a pound.

Mr. McKELLAR. Yes. I am informed that the provision of the bill making the duty applicable only to cotton having a staple of 1⅛ inches or more in length will exclude but very little Egyptian cotton; that the greater part of the Egyptian cotton that comes to this country now has a staple of less than 1⅛ inches in length. If that is true, it would be immaterial what the tariff is on cotton if the length of staple covered by the bill is so great that Egyptian cotton would not be excluded.

Mr. ASHURST. The Senator is correct. On this point I now read again from the Government publication entitled "Cotton Production in Southwest:"

This variety—

That is, our southwestern cotton grown on irrigated land—

produces a fiber 1⅛ to 1⅛ inches in length.

I introduced an amendment to the emergency tariff bill last February proposing to strike out the fraction "three-eighths" and insert "one-eighth," so that if the bill should pass the cotton growers of the Southwest, who were so distressed, might obtain some relief. I voted for the bill in the vain hope that the psychological effect might be of some value to the cotton growers, but it would have been practically of no benefit, first, because the duty was too low and, secondly, because the figures "1⅛" should have read "1⅛" or "1⅛."

Mr. McKELLAR. One and one-eighth would be better. A great deal of cotton similar to that which is raised in the Senator's State is raised in the Mississippi Delta just below where I live, and a great deal is also produced in Florida, some in South Carolina, and probably in other portions of the country to a small extent; but none of this long-staple cotton will be benefited in any way if the 1⅛-inch provision is permitted to remain in the bill. It would make no difference how high the tariff duty is on it if no Egyptian cotton were kept out.

Mr. ASHURST. The production of sea-island cotton last year dwindled to 1,725 bales—400-pound bales, I believe. The length of fiber as at present prescribed in the bill might give some relief to the growers of those 1,725 bales; that would be about all.

Mr. TRAMMELL. Mr. President, if the Senator will yield, I will state that, having in view the contention made by the Senator from Tennessee, I have proposed an amendment to make the length of staple 1⅛ inches instead of 1⅛ inches. I have an amendment of that kind pending.

Mr. McKELLAR. Mr. President, if the Senator from Arizona will yield further, as I understand the situation, the present wording of this bill is unimportant in so far as long-staple cotton produced in the United States is concerned, for long-staple cotton will be admitted under the terms of the bill.

Mr. ASHURST. I yield.

Mr. McKELLAR. My understanding is that practically no Egyptian cotton is of 1⅛-inch staple.

Mr. ASHURST. Oh, yes.

Mr. McKELLAR. The great body of the Egyptian cotton that comes over here under the law as it is now has a staple less than 1⅛ inches in length, and, therefore, the pending bill would not affect it.

Mr. ASHURST. In other words, the Senator makes the point that with the figures as they are no relief would be granted at all.

Mr. McKELLAR. Substantially no relief would be granted at all. Unless the provision shall be changed the cotton producers may as well understand that they will get no relief under this bill.

Mr. ASHURST. Let me repeat on that very point that in the last Congress I introduced an amendment changing the figures from 1⅛ to 1⅛, but, while the amendment was adopted in the Senate, it was defeated in conference.

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

Mr. ASHURST. I yield; yes, sir.

Mr. WOLCOTT. Did I understand the Senator to say a moment ago that there are about 1,700 bales of cotton raised in this country which would be protected by the 1⅛-inch provision?

Mr. ASHURST. I must make myself clear, and I will answer the Senator in this way.

Sea-island cotton—which is grown on the coast of the Carolinas and Florida, on the islands near the coast—is of a long staple or long fiber. In 1915 there were produced of that variety 111,716 bales. The next year, 1916, there were produced 117,559 bales. In 1917 there were produced 92,619 bales. In 1918 there were produced 52,208 bales. In 1919 there were produced only 6,916 bales. In 1920 the production of sea-island cotton shrank to 1,725 bales. I believe these are 400-pound bales. In other words, in five years, from a production of 111,716 bales, sea-island cotton production shrank to 1,725 bales. This sea-island production was practically wiped out, but hundreds of thousands of bales of long-staple cotton have been pouring in from Egypt, which, of course, enters directly into competition with the Pima or Arizona Egyptian cotton.

Mr. WOLCOTT. Of what length of staple is the sea-island cotton the production of which has dwindled to 1,700 bales—1⅛ inches or greater?

Mr. ASHURST. I should not say it was greater. Some of it is not much greater, but it ranges from 1⅛ to 1⅛.

Mr. WOLCOTT. Does the Senator attribute the dwindling of that industry to the absence of protection?

Mr. ASHURST. No. That was caused by the boll weevil.

Mr. WOLCOTT. There must be some other cause, because it is common knowledge that in 1920, the year of smallest production, cotton prices were perhaps higher than ever before in history, and back in those other years when the production was so great that they were able to make money on a much lower price for the cotton.

Mr. ASHURST. I believe this dwindling of the production of sea-island cotton has been brought about by the boll weevil. Am I correct in that?

Mr. McKELLAR. I have been so informed. I call the Senator's attention to paragraph 17 of the bill, which puts a tariff of 7 cents per pound on the manufactured goods.

Mr. ASHURST. Yes.

Mr. McKELLAR. If we are correct about Egyptian cotton being prevented from coming in under section 16, that would mean that we are putting a tariff on the manufactures of Egyptian cotton to the absolute exclusion of American cotton.

Mr. ASHURST. That is one of the quarrels I have with the bill. After proposing to place a duty of 7 cents per pound on the raw material, we find that the manufacturers are going to absorb the benefit of it, because the very next paragraph, as the Senator points out, reads:

Manufactures of which cotton of the kind provided for in paragraph 16 is the component material of chief value, 7 cents per pound, in addition to the rates of duty imposed thereon by existing law.

Of course, we should move to strike out that paragraph, otherwise the bill would simply be for the benefit of the manufacturers instead of the producers.

Mr. President, I shall now read from a brief submitted to the chairman of the subcommittee on cotton of the Ways and Means Committee of the House of Representatives. This brief was prepared by Mr. Dwight B. Heard, of Phoenix, Ariz., who represented the Chamber of Commerce and the Cotton Growers' Association, and it is so clear and so complete, with material facts and data, that I am sure Senators who are interested in this subject will be enlightened. It is addressed to Hon. WILLIAM R. GREEN, chairman subcommittee on cotton, Com-

mittee on Ways and Means, House of Representatives, and is as follows:

Hon. WILLIAM R. GREEN,
Chairman Subcommittee on Cotton,
Committee on Ways and Means,
House of Representatives.

SIR: Availing of your suggestion that I present in concise form a statement in behalf of the needs of the producers of American Egyptian cotton, I present the following:

STATEMENT BY DWIGHT B. HEARD, OF PHOENIX, ARIZ., REPRESENTING THE ARIZONA EGYPTIAN COTTON GROWERS' ASSOCIATION, THE PHOENIX (ARIZ.) CHAMBER OF COMMERCE, AND THE PHOENIX CLEARING HOUSE ASSOCIATION, AS TO THE NEED OF A PROTECTIVE TARIFF ON AMERICAN EGYPTIAN OR PIMA LONG-STAPLE COTTON.

PRELIMINARY STATEMENT.

The American Egyptian or Pima long-staple cotton industry, which during the past 15 years has developed as an essential national industry, now faces destruction through competition with cotton of similar type produced by the present labor of Egypt on a present wage scale of 40 cents per day for a 12-hour day.

This Egyptian long-staple cotton is now being laid down at New England spinning points at 26 cents per pound, almost exactly one-half the estimated production cost of last year's American Egyptian crop, as per a report recently furnished Congress by Mr. Wallace, Secretary of Agriculture.

In the season of 1919–20, 485,000 bales of Egyptian cotton were imported into the United States as compared with an average importation for the previous five years of 202,000 bales. It is conservatively estimated that 70 per cent of this importation was Sakellaridis cotton, the type principally used for the manufacture of tire yarns and with which the American-grown Egyptian cotton comes in direct competition.

The standard of living of the Egyptian peasants who furnish the labor in the cotton fields of Egypt is vastly inferior to an American standard of living. This peasant labor is exceptionally efficient. These Egyptian laborers get the price of 40 cents per day work from sunrise to sunset, while in Arizona, where 85 per cent of the American Egyptian crop is grown, the cost of field labor for a 9-hour day in 1920 was $3. It is estimated that in 1921 this will be reduced to $2, still more than five times as large as the Egyptian wage, in view of the shorter hours in Arizona.

It is conservatively estimated that one-third of the cost of the production of long-staple cotton is involved in the picking. The cost of picking cotton in Egypt in 1920, according to the best information available, was less than $5 per 500-pound bale; while in Arizona the cost of picking the same size bale was $80. This situation presents an intolerable condition which can only be remedied by the reasonable protection asked. Officials of the United States Department of Agriculture have recently estimated that the cost of producing American Egyptian Pima cotton in Arizona in 1920, on the basis of a yield of half bale to the acre, was 52.6 cents. The attached statements from well-informed Arizona growers show an estimated average cost of production in 1921 of approximately 41 cents. According to the most recent market quotations, Old World Egyptian cotton of the Sakellaridis variety, the type which most nearly corresponds to the America Pima, and which comprises about 70 per cent of the import from Egypt, is being laid down in New Bedford for 26 cents per pound. The duty asked for by American producers to maintain this industry on a living basis is but 20 cents per pound. It is evident that unless the relief asked for through a protective tariff is promptly granted the industry built up through 20 years' cooperation with the United States Department of Agriculture faces destruction.

BRIEF HISTORY OF THE AMERICAN EGYPTIAN COTTON.

Pima cotton was originated and developed by the Department of Agriculture as a result of plant-breeding work carried on in Arizona since 1902. A strikingly superior individual plant, selected in 1910 at the Government experimental station at Sacaton on the Pima Indian Reservation in southern Arizona, was the parent of the Pima variety, of which 200,000 acres were grown in 1920 in Arizona and California. It is an interesting coincidence that the plant which gave rise to the Sakellaridis variety, the principal competitor of Pima, was discovered in Egypt in the same year, 1910.

Pima cotton can be successfully grown only in the irrigated lands of southern Arizona and California, where the climatic and soil conditions have proven to be exceptionally favorable for the growth of this type, which is not adapted to conditions in the eastern cotton belt.

The Pima cotton has an average length of staple of 1⅛ inches and is maintained in a high state of uniformity by careful seed selection, under the supervision of the United States Department of Agriculture. It is used in the manufacture of fine dress goods, hosiery, and sewing thread; but principally in automobile-tire fabrics. It is estimated that 80 per cent of the Pima crop in recent years has been used for this last purpose. In all these classes of manufacture the American-grown Egyptian cotton is in direct competition with Sakellaridis cotton imported from Egypt.

DECLINING SEA-ISLAND PRODUCTION MAKES PIMA ESSENTIAL TO NATIONAL DEFENSE.

During the recent war exhaustive Government tests showed that the Pima cotton was a thoroughly satisfactory substitute for sea-island cotton in the manufacture of airplane wings and balloon cloth, and during the last year of the war large quantities of cloth were manufactured from Pima cotton and successfully used in the air work. The first tests of Pima cotton for this work were made at the suggestion of the Department of Agriculture, which pointed out that with the rapid advance of the boll weevil the sea-island crop might be suddenly wiped out and that a substitute must be found if possible in an American-grown cotton. Since Arizona and California are well isolated from the boll-weevil district and were already producing a cotton of extra long staple and great uniformity, which was known to be capable of substitution for sea-island, an extension of Pima cotton growing in that region appeared to be a military necessity, and for that reason was especially encouraged by the Department of Agriculture in the war period. The figures given in the table showing the production of sea-island and American-Egyptian cottons during the last five years make it clear that the Department of Agriculture was thoroughly justified in calling attention to the necessity of a substitute for sea-island cotton, which now has almost disappeared from cultivation. If the war had been prolonged even for another year the Pima cotton would have become the sole reliance for this vital purpose.

Partly as a result of stimulation by the Government during the war the acreage of Pima cotton has been greatly expanded during the past two years, and with the sudden slump in the market in 1920 the growers have been left with fully 90 per cent of their last crop unsold. The danger is very great that unless adequate protection is furnished against the competition of cheaply grown foreign cotton this highly specialized cotton, which recent experience has shown to be essential to the national defense, will disappear.

With the sea-island cotton practically gone, this country would be entirely dependent on foreign sources of supply.

Statement of the production of Pima and sea-island cottons, in bales, during the past 5 years.

Year.	American Egyptian or Pima.[1]	Sea island.[2]
1916	3,331	117,559
1917	15,966	92,619
1918	40,343	52,208
1919	42,374	6,916
1920	91,965	1,725

[1] 500-pound bales. [2] 400-pound bales.

Estimated imports of Sakellaridis Egyptian cotton in equivalent 500-pound bales during the past five years.

Year.	Bales (500 pounds).
1915–1916	204,000
1916–1917	119,000
1917–1918	80,000
1918–1919	70,000
1919–1920	340,000

COST OF PRODUCTION.

In a very carefully prepared statement recently issued by Mr. C. S. Scofield, of the United States Department of Agriculture, based on a yield of a half bale to the acre in the Salt River Valley of Arizona, where about 85 per cent of the Pima cotton is produced, a production cost is shown for the season of 1920 of 52.6 cents per pound. Owing to reductions which have already occurred in the price of field labor and estimated reductions which are anticipated in the cost of picking and ginning Pima cotton for next season, it is estimated that the cost of production in 1921 on the basis of a half bale to the acre will be at least 42 cents.

It will be observed that if the 20 cents per pound tariff asked for is added to the present delivered price of Egyptian Sakellaridis cotton in New England the American grower would make only a very small profit above cost of production. It is hoped by this legislation to stabilize the price of American-Egyptian Pima cotton so as to justify continuing the American industry based on a price of approximately 50 cents to the producer.

The attached statements, Exhibits A, B, and C, of estimated cost of production in the Salt River Valley of Arizona for 1921, made by Mr. W. S. Stevens, president of the Arizona American-Egyptian Cotton Growers' Association, Mr. Charles M. Smith, a grower who keeps exceptionally accurate records, and the writer, who has grown this type of cotton for the past five years, are presented for the purpose of giving detailed estimates as to the cost of production for 1921.

On the Salt River Valley reclamation project in Arizona 186,000 acres were farmed in Pima cotton in 1920, on which a crop of seventy-two thousand 500-pound bales was produced. Confronted as they have been during the recent months with a price for this cotton far below its cost of production, the majority of the producers, through the assistance of the banks, have held on to their cotton, anticipating a relief from the existing situation, and it is estimated that 67,000 bales of this crop still remain in the hands of the producers. This situation illustrates the urgent need for immediate relief.

The emergency tariff bill, as passed by the House of Representatives on April 15, 1921, and now before the Committee of Finance of the Senate, in paragraph 16 contains the following clause as to the protective duty on long-staple cotton:

Cotton having a staple of 1⅛ inches or more in length, 7 cents per pound.

It is evident that the above is not adequate to protect this industry on the basis of American standards of living. In the report of April 13, 1921, in connection with the emergency tariff bill, on page 20, the Bureau of Markets of the Department of Agriculture definitely recommends a duty of not less than 10 cents per pound, making the following statements:

(4) Large areas of land in this country are available for the production of extra staple cotton, but because of the costs of reclamation, irrigation, and the higher standards of living and cost of labor, the cost of production of such cotton in the United States is high and our producers need a protective tariff to equalize the cost of production abroad with that in the United States.

(6) In the table following are presented quotations on the selling price of Sakellaridis Egyptian and American Egyptian cottons. It will be observed that on March 15 the price of fully good Sakellaridis was 35¾ cents and good fair Sakellaridis 26¾ cents, c. i. f., landed Boston, and that American Egyptian cotton of No. 2 grade was quoted at 26¾ cents, and No. 3 grade at 25¾ cents, landed Boston. Such prices are far below the estimated cost of production of cotton in Arizona and California. It should be further pointed out that from the table the prices of good fair Sakellaridis and No. 2 Arizona Egyptian have been practically identical since November 13 last. In other words, the price of good fair Sakellaridis seems to fix the price of American Egyptian cotton. * * *

(9) Producers of long-staple cotton have faced adverse market conditions in the sale of last year's crop and are said to have on hand a large part of last year's production. Accordingly, it is believed that the producer would receive the benefit of whatever protection that might be conferred by the proposed tariff measure.

I am presenting the foregoing statement at the request of the Arizona American Egyptian Cotton Growers' Association, the Phoenix Chamber of Commerce, and the Clearing House Association of Phoenix, whose letters in this connection are attached herewith. In this statement I have endeavored to present figures and facts as to this industry whose existence is so seriously threatened, and in view of the fact that through some misunderstanding the producers of American-Egyptian cotton had no opportunity to present their case before the Committee on Ways and Means of the House I trust opportunity may be found before the emergency bill passes the Senate to increase the duty on long-staple cotton from 7 cents to the 20 cents so urgently needed.

Very respectfully,

DWIGHT B. HEARD.

PHOENIX, ARIZ., *April 25, 1921.*

I ask unanimous consent to have printed in the RECORD also the Exhibits A, B, and C attached to the communication.

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

EXHIBIT A.

ARIZONA AMERICAN-EGYPTIAN COTTON GROWERS' ASSOCIATION,
Phoenix, Ariz., April 14, 1921.

Mr. DWIGHT B. HEARD,
Phoenix, Ariz.

MY DEAR MR. HEARD: Complying with your request to make up an additional statement of cost for producing cotton in 1921, as I view the situation, I submit as follows:

There is such a wide difference in the ideas of rental values that I have eliminated this altogether, considering a man that is working on payment of one-fourth of his crop as rent. I have eliminated, as far as possible, the question of diversified farming, in that a portion of the crops produced might be used in feeding and caring for the stock of the grower. I am taking as a basis an exceptionally good man with an exceptionally good team, and giving him all the land that such a man can possibly handle under favorable circumstances, which is 50 acres. I am considering that this man and his one team must do all the work of preparing and planting, cultivating, supervising, picking, and deliver the cotton to the gin. In handling this acreage, he will have no time whatever to do any hoeing or irrigating. This is provided in moderate charges. We have considered the cost of picking on the prewar basis, which is really less than it should be when we consider the fact that shoes are 100 per cent more than four years ago, and that provisions and clothing have not anywhere near been reduced to prewar basis.

This man and his team are allowed $1,200 for the year. Out of this $1,200 the man's only living expense, or his wage and feed for his team, are all included. This man and his team is far above the average in being thoroughly able to cultivate and handle 50 acres of land, but I am considering the average yield to be the actual average being produced in our valley since Pima cotton has been introduced, which has been one-half bale per acre. Of course, we have exceptional cases where people may average better than one-half bale for several years, but this is offset wherein just as many farmers produce less than one-half bale for the same period of time, because they are liable to the losses incurred from hail storms, black arm, root rot, and other troubles; so that, on the whole, I think that this is a very conservative estimate of the average cost for the year 1921:

A man and team, one year	$1,200.00
Irrigation water, at $3.75 per acre	187.50
Planting seed, $1 per acre	50.00
Hoeing, including thinning, at $7 per acre	350.00
Expense of irrigation, $3 per acre	150.00
Implements, $250, depreciation only	50.00
Shopwork	25.00
Incidentals, including sacks, tents, etc	100.00
Ginning 25 bales, at $20	500.00
Picking 25 bales, at 3 cents per pound	1,500.00
	4,112.50
Total, less 11¼ tons of seed, at $20	225.00
Total cost of 18¾ bales, 6¼ having been paid as rent	3,887.50
Cost per pound	.413

Very truly,

W. S. STEVENS.

EXHIBIT B.

APRIL 24, 1921.

Mr. DWIGHT B. HEARD,
Phoenix, Ariz.

DEAR MR. HEARD: The following is my estimate of the cost of production of Pima cotton in the Salt River Valley for 1921:

ESTIMATED COST OF PRODUCTION, 80 ACRES COTTON, SEASON 1921.

Based on low wage scale of $3 per day, including board—cheap horse feed, but no allowance for horses when not actually employed, nor for man when he is not actually in field.

Plowing, at $3.75 per acre	$300
Disking after plowing, at 80 cents per acre	64
Dragging twice, at $2	160
Labor, irrigating before and after plowing	54
Disking before planting, at 80 cents	64
Planting, at 70 cents per acre	56
Cultipacker, at 50 cents per acre	40
Cultivating about 8 times, including furrowing out, at 70 cents	448
Chopping, at $1.25 per acre	100
Hoeing twice, at $1.50 per acre	240
Labor, irrigation, 4 times after planting	60
Planting seed	40
Depreciation in equipment	150
Incidental expenses	250
Irrigation water, 3 acre-feet, at $7.50 per acre	600
Taxes, State and county, at $5 per acre	400
Estimated cost to picking time	3,026
Picking, basis ½ bale per acre, at 3 cents per pound	2,400
Ginning, basis ½ bale per acre, at $20 a bale	800
Overhead, including tents, sacks, wood insurance, hauling cotton to gin, etc., at ¼ cent per pound seed cotton	600
Total as above	6,826

Actual cost of production (labor only), 34 cents per pound.

IMPORTANT NOTE: The above does not include any land rent or interest on land investment—does not allow anything for living expenses while farmer is not in field—nothing for ditch cleaning, keeping up fences, etc. On the above basis 45 cents per pound would mean ultra-conservative cost of production, 1921.

CHAS. M. SMITH.

EXHIBIT C.

APRIL 21, 1921.

Estimate of Dwight B. Heard, of Phoenix, Ariz., as to cost of production of American-Egyptian (Pima) cotton, under the Salt River reclamation project, Arizona; for season of 1921, cost per acre based on production of one-half bale to an acre and present cost of labor and supplies.

Annual payment to United States Government due on Roosevelt Dam and Salt River Valley project	$2.00
Taxes on basis average assessed on location $183 per acre and average combined State, county, school, high school, and road district tax rate of $2.50	4.57
Irrigation water service based on annual use of 3 acre-feet	3.60
Seed for planting, select Government-inspected seed at 2 cents per pound, 30 pounds per acre	.60
Labor for irrigating once before plowing, six times after plowing, at 30 cents per acre	2.10
Plowing, per acre	4.50
Harrowing twice at $1	2.00
Dragging twice at $1	2.00
Planting	.75
Rolling	.75
Seven cultivations, including furrowing out	5.60
Chopping or thinning	1.25
Average summer hoeing, cost per acre	7.50
Expense per acre to picking time	37.22

Picking 1,000 pounds seed cotton, equaling one-half bale of lint at 3 cents per pound	$30.00	
Ginning one-half bale cotton at $20	10.00	
Transport to gin of seed cotton, 5 cents per 100 pounds	.50	
Overhead and incidental expenses per acre, including tents and wood for pickers, depreciation on machinery, shop work, picking sacks, insurance based on 7 cents per pound of seed cotton	7.00	
		47.50
		84.72
Deduct value of cotton seed, 750 pounds to each 1,000 pounds of seed cotton at value of $16 per ton		6.00
Net cost of producing one-half bale or 250 pounds of Pima long-staple cotton lint per acre		78.72
Cost per pound Pima lint cotton exclusive of any return on value of land		.3149
Figuring a revenue on the land of but $20 per acre would add 8 cents to production cost of lint cotton and make the actual production cost per pound of Pima cotton lint		.3949

[Copy.]

Hon. J. W. FORDNEY,
Chairman Ways and Means Committee,
House of Representatives, Washington, D. C.

DEAR SIR: From the standpoint of safeguarding the financial interests of the Salt River Valley of Arizona, the Phoenix Clearing House Association is vitally interested in the proposal to grant a protective tariff on American Egyptian Pima long-staple cotton. This is a special type of cotton developed by the United States Department of Agriculture through an experimental stage of 12 years' duration, and which has become known to the cotton trade at large as the equal of any cotton in the world. This type of cotton has been exclusively used for the manufacture of tire fabric on account of its superior length of staple and high tensile strength.

Last year in the Salt River Valley 185,000 acres were planted to long-staple cotton with a resulting yield of more than 72,000 bales. Estimates place the cost of last year's crop at about 60 cents per pound.

No general market has so far developed for the staple, and the few sales made during recent weeks have ranged from 25 to 30 cents per pound, basis No. 2.

Salt River Valley is especially adapted to the growing of long-staple cotton; the cultivation of this staple is restricted to a few valleys in the Southwest, where the length of the growing season permits the development of the fiber and general cultural conditions are favorable.

It seems important that some steps be taken to insure the permanence of this new industry in the Southwest, which is just beginning to supply a growing demand for this superior type of cotton.

In order that the industry may survive the growers of Arizona and California need the benefit of a protective tariff of sufficient amount to enable them to compete with Egyptian Sakellaridis cotton, produced in Egypt by native labor on a wage scale entirely out of harmony with the American standard of living.

The Phoenix Clearing House Association, in special meeting, hereby earnestly advocates the adoption of a protective tariff on American Egyptian Pima long-staple cotton of 20 cents per pound.

Mr. Dwight B. Heard, representing the Arizona American Egyptian Cotton Growers' Association and the Phoenix Chamber of Commerce, will appear before your committee in behalf of the foregoing proposal. Mr. Heard is fully qualified to speak for the cotton growers of the Southwest, and we bespeak for him your most favorable consideration.

Yours, respectfully,

THE PHOENIX CLEARING HOUSE ASSOCIATION,
By B. E. MOORE, *Vice President.*

PHOENIX, ARIZ., *April 14, 1921.*

[Copy.]

THE PHOENIX CHAMBER OF COMMERCE,
Phoenix, Ariz., April 14, 1921.

Hon. DWIGHT B. HEARD.
Heard Building, Phoenix, Ariz.

MY DEAR MR. HEARD: We are glad to have you represent the Phoenix Chamber of Commerce, with a membership of 1,150, at any and all meetings held in Washington in connection with the tariff or any other subject vital to this section of the Southwest.

This is to advise that you have been appointed as the general official representative of this organization at the board of directors' meeting held to-day, April 14.

Yours, very truly,

W. W. LAWHON, *President.*
HARRY WELCH, *Secretary.*

Mr. ASHURST. I know how dry and unattractive statistics are, but I have confidence that Senators will peruse at least some of the statistics, and Senators ought to read them before they vote on the cotton schedule. Before I conclude, however, let me put these figures in juxtaposition before Senators. I will be very brief.

This Egyptian cotton is being imported into the United States at the time when the farmers are trying to build up this long-staple cotton industry, at the very time our farmers are working in a sun which blazes down sometimes at 115 degrees and sometimes at 120 degrees, working in competition with the Egyptian laborer, who, as I have said in the Senate heretofore, works 12 hours, and has since Cambyses came in from Persia, 2,500 years ago, and subjugated Egypt, been possessed of physical efficiency that is one of the phenomena of the world; the Egyptian fellahin works 12 hours in that hot climate. Our people in the Southwest have gone into competition with them and have tried to build up this industry. But unless some relief be granted thousands of Americans, who believed their Government at least would extend to them the same measure of consideration it extends to the Egyptian, will be driven to failure.

In 1911 there were imported from Egypt into the United States 183,786 bales of cotton. The United States took 12 per cent of the Egyptian crop that year.

In 1912 there were imported 175,835 bales, the United States taking 12 per cent of the Egyptian crop.

In 1913 there were imported 191,075 bales. In 1914 there were imported 137,355 bales. In 1915 there were imported 261,220 bales. In 1916 there were imported 339,854 bales.

Then in 1917, owing to the activity of the submarines and the necessity of using lands to raise wheat to feed the soldiers, the production fell off. It was reduced in 1917 to 198,805 bales. In 1918 it was 114,580 bales. In 1919 it was 100,006 bales.

Then, Mr. President, we find that in 1920 there were imported into the United States 485,003 bales of this long-staple Egyptian cotton, grown by these Egyptian laborers, who, as I said before, receive about 30 shillings a month. I will read the whole statement:

Wages to cotton laborers (in Egypt) in 1912 averaged 30 shillings per month, according to Arno Schmidt. Assuming an increase of 100 per cent, the present average wage would be 60 shillings, which at current exchange (the pound sterling=$3.92 at New York on April 15, 1921) would amount to $11.76 per month, or 39 cents per day.

I respectfully submit that Americans, whose ideas of living are so immensely superior to the ideas of the Egyptian laborer, can not work in competition with that Egyptian laborer who receives 39 cents a day.

Mr. STANLEY. Mr. President——

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

Mr. ASHURST. I yield.

Mr. STANLEY. Is it not true that this long-staple cotton is raised in the main upon irrigated lands?

Mr. ASHURST. That is true; I might say wholly. The Pima cotton, which term is used interchangeably with Arizona Egyptian cotton, is raised wholly on irrigated lands.

Mr. STANLEY. Prior to the recovery by reclamation of these lands by the Government, all of this long-staple cotton was imported, was it not?

Mr. ASHURST. Except such long staple as was grown in what we call the sea-island country, those islands off the coast of Florida and South Carolina.

Mr. STANLEY. There was no considerable amount of this long-staple cotton grown in continental United States?

Mr. ASHURST. It is my opinion that while some long staple was grown, there was no, as we call it, Egyptian Sakellaridis cotton grown in the United States, and there is none now grown in the United States except in Arizona and California.

Mr. STANLEY. Does the Senator believe it is a sound business policy in a government or a corporation to spend hundreds of millions of dollars in order to enable people hitherto engaged in a profitable business to engage in an unprofitable business?

Mr. ASHURST. I do not see the force of the Senator's question.

Mr. STANLEY. I will try to make myself clear.

Mr. ASHURST. It is my fault that I did not perceive the Senator's meaning.

Mr. STANLEY. I beg the Senator's pardon. These people who are engaged in growing long-staple cotton, under the stimulus of a bonus from the Government, were formerly engaged, if they were in the South, in raising short-staple cotton or corn or cattle, or anything else, in an unprotected and at the same time prosperous business. Is it wise that the Government should erect great dams, like the Roosevelt Dam, should spend untold millions of the people's money in reclaiming lands, not that people may make money on them but that they may lose money on them; not that they may engage in a profitable business but that they may be induced, and further buttressed and protected, into engaging in an unprofitable business? If this was a business that was of long standing, and some foreign competitor were underselling us, there might be some reason for it. But is there any more reason for the Government building dams in order that men may raise cotton at a loss than for the Government to make hothouses in order that they may raise grapes or bananas at a loss in Montana or Nebraska or Alaska?

Mr. ASHURST. The United States has already invested in Arizona $20,000,000 in irrigation projects. That sum of money is not a gift; it is not a gratuity out of the Federal Treasury. The farmers and water users under the irrigation projects are required to repay that $20,000,000 to the Government within 20 years.

Mr. STANLEY. Mr. President, if the Senator will excuse me, I understand that, and I am not maintaining now that the Government will not ultimately recover some part of the money it has spent.

Mr. ASHURST. The Government will recover all of it.

Mr. STANLEY. It does not make any difference, for the purposes of my question. I wish to ask the Senator if he regards it as good business in an individual or a corporation or a Government to deliberately expend, in the way of advancement or permanent investment or gratuity, millions of money for the encouragement of a business which will be unprofitable the minute men enter into it?

Mr. ASHURST. As I was proceeding to say, the Senator will bear in mind that twenty millions of dollars have been invested in Arizona in reclamation projects. An intensive campaign throughout the United States, not only in respect to cotton but all other agricultural projects, has been carried on for 10 years. No speaker, no singer, and few clergymen believe they have done their duty until they shall have admonished people to "Get back to the land"; and, indeed, Mr. President, if we are to subsist the American people, and if those who dwell in the cities, and now constitute 52 per cent of our people, are to subsist, we "must get back to the land." But you can not get a man back to the land by singing him a song or telling him how refreshing it is to arise with the sun. You can get a man "back to the land" only by making it profitable to him to get back to the land. As a business proposition, how vain, how idle, how childlike, to appropriate $20,000,000 to build up irrigation projects in Arizona, in California, and elsewhere, to encourage farmers, to send out literature to farmers urging them to plant long-staple cotton and other agricultural products, and then after they have planted their crops say that we will open wide the gate and allow the laborer in Egypt, who gets 40 cents a day, to come into competition with and destroy our farmer by taking away his market.

The Senator is entirely right. It is absurd to appropriate money and make speeches and sing songs and deliver lectures by the thousand urging people to go back to the soil, and as soon as they reach the land we say our solicitude is for the Egyptian laborer, not for the Arizona cotton grower. I think the Senator is entirely right.

Mr. STANLEY. It is well for the Government to send people back to the land if their activities upon the land will add to the wealth of their countrymen, if they make two blades of grass grow where one grew before, if they raise two bushels of grain where one grew before. The purpose of having them go back to the land is to add by the most direct and most immediate method of creating essential wealth to the prosperity of the community. But if we have to pension the man on the land, his being back on the land does not help the community any. He is simply living in the shade of the country trees and breathing in the salubrious air of the country climate. Having the moral influence of the rural precincts does not help the rest of us if we have to pay him to live there. He had better raise posies and daisies and tulips or he had better raise Cain or hunt and fish and do nothing than to tax the American public $5 or $10 for every dollar's worth of stuff that he produces. Our country produces a modicum of sea island cotton, 1 pound perhaps in 5, and that costs us five times as much——

Mr. ASHURST. We are producing more of the long-staple cotton.

Mr. STANLEY. But our importations exceed that production immensely now.

Mr. ASHURST. The production of long-staple sea island cotton, of the kind grown in Arizona, dwindled last year to about 1,700 bales.

Mr. STANLEY. How much did we import?

Mr. ASHURST. We imported over 400,000 bales.

Mr. STANLEY. Exactly; and we imported ten times as much as we raised; did we not?

Mr. ASHURST. No. We raised 250,000 bales in the Southwest.

Mr. STANLEY. And imported how much?

Mr. ASHURST. We imported last year 485,000 bales.

Mr. STANLEY. That is twice as much. If you put a duty of 7 cents a pound on the cotton he produces, you impose a duty of 15 cents on every pound of cotton produced. You charge every consumer in the United States, 100,000,000 people, for an essential in order to create a new industry in which a few thousand people are engaged; and you know from the start, from the time you build your dam and before they go there, that they are going to lose money unless they live, not upon their labor but upon mine, not upon wealth created but from wealth appropriated, not on account of the natural advantages of the country but on account of the partial operation of the law.

Mr. ASHURST. Whenever the distinguished Senator from Kentucky, who served with distinction in the House and who serves with distinction here, arises I tremble. I do not always tremble when other Senators rise, but I know that his reflections are usualy correct, and his choice rhetoric is hard to answer, but on this particular subject it so happens that he has a wealth of misinformation. This long-staple cotton goes into tires for automobiles, where great tensile strength is required.

Mr. STANLEY. Mr. President, I do not wish to interrupt the Senator too much, but is not this sea-island cotton used in the manufacture of mercerized cloth?

Mr. ASHURST. It is used in the making of high-grade shirts. Democrats voted and spoke, most of them, for a luxury tax. This cotton goes into very high-grade shirting—into shirts that cost from $6 to $8 apiece.

But let us see about the philosophy of the situation. Have you been in universities and colleges so long that you are filled with free-trade theories? If you are a free trader, and have never done a day's work with your hands in your life, you can make a good argument for free trade, provided you say, "I believe in free trade on everything," but how a Democrat can stand for free trade on some things and tax other things I do not perceive.

I warn Democrats now, do not permit the American people to suspect that you look with favor on free trade. We lost the election of 1880 and we lost the election of 1888 because there was a suspicion in the public mind that we looked with favor on free trade. I have seen Democratic Senators in the North and in the West go down to defeat in their candidacies for Congress because they were suspected of being free traders. Every intelligent man knows that free trade exists only in the imagination of theorists. I was about to say there is no free-trade nation, but there is one, the Eskimos.

Sir, you are for a protective tariff? Very well, you can at least make an argument for a protective tariff if you say, "I am for a tariff on manufactured goods, and I am for a tariff on the raw materials," but how can you in honesty stand up and say "I am for a tariff on manufactured articles, but I am opposed to a tariff on the raw materials"?

We have reached the day, Mr. President, when the farmer who must subsist the people and the stock grower and the cotton grower who must clothe the people are going to say, "If you want free trade, very well; if you want a protective tariff, very well; but you shall not longer put the manufactured article, the product of the factory, under a high protective tariff and allow the products of the ranch and the field and the farm to be kept on the free list." If this be a farmers' bill, if this be a bill to protect the agricultural interests of our country, then let us protect the agricultural interests of our country.

I have already asked unanimous consent to include in the RECORD certain tables that have been prepared, some by myself and some by the Department of Agriculture, giving the importations of Egyptian cotton into the United States and the growth within recent years. I shall ask that my amendment lie upon the table until the time for voting comes, and then I shall ask a roll call on the amendment in the belief and in the earnest hope that it will be adopted, because if it is not adopted the bill will be of no utility and will be of no service to the cotton growers of the Southwest.

Mr. HARRISON. Mr. President, the Senator's amendment proposes to increase the rate, as I understand it, as well as to decrease the length of staple.

Mr. ASHURST. Oh, no; merely to increase the rate from 7 to 20 cents a pound.

Mr. HARRISON. Does it propose also to decrease the length of the staple?

Mr. ASHURST. I have not introduced such an amendment, but I believe some other Senator from a Southern State has introduced such an amendment.

Mr. HARRISON. I did not know. I wanted to know what the Senator's amendment was and whether he desired the staple to be decreased from 1⅛ inches in length.

Mr. ASHURST. Of course, my amendment proposes to strike out 7 cents and insert 20 cents, but I have no objection to the suggestion of the Senator from Mississippi. I would not claim something for my own constituents that I would be unwilling to grant to other people.

Mr. HARRISON. May I ask if all the cotton grown in Arizona is 1⅛ inches in length?

Mr. ASHURST. We have some of what we call upland cotton that is of about that length, but the great bulk of our cotton is from 1¼ to 1⅜.

Mr. HARRISON. In that connection I wish to call the attention of the Senator to the report of the House Ways and Means

Committee, upon which this legislation was based, in which report, prepared by Mr. YOUNG, who introduced the measure in the House, it was said:

The Young emergency tariff bill proposes a duty of 7 cents a pound on cotton the staple of which 1⅛ inches in length. We are of the opinion that the minimum length of staple on which a tariff is to be levied should be 1⅛ inches and that the duty should be increased from 7 cents to not less than 10 cents a pound.

So there is a report and argument for a protective tariff on cotton of 1⅛-inch staple, stating that as between 1⅛ and 1⅜ inches as applied to cotton from other countries the shorter staple should be adopted, and yet when they write their bill they only propose to make it 1⅜ inches.

Mr. ASHURST. I may say for the Senator's information that my amendment which decreased the length of staple from 1⅜ to 1⅛ inches, as shown in the bill introduced in the last session of Congress, passed the Senate but was rejected in conference.

Mr. HARRISON. Of course, the bill throughout is based on just the same deceptive and misleading and incorrect statements as are found touching cotton in this report.

Mr. ASHURST. It seemed to me a species of hypocrisy so continuously to urge the farmer to work and then give him no sensible, practical method to get a profit out of his work. We hear so much about the ultimate consumer. I am thinking of the producer. If ever a time existed in the history of our country when we should think of the producer that time is here now, and that is the reason why I wish this rate increased from 7 to 20 cents a pound.

Mr. President, I ask unanimous consent to include in the RECORD at this point certain statistics on this subject.

The PRESIDING OFFICER. Without objection, permission is granted.

The matter is as follows:

DEPARTMENT OF COMMERCE
OFFICE OF THE SECRETARY
Washington, April 20, 1921.

MY DEAR SENATOR: In compliance with your request of April 15, I take pleasure in quoting below the imports of unmanufactured cotton into the United States from Egypt during the calendar year 1920 and the months of January to March, 1921, inclusive:

Calendar year:	Pounds.
1920	179,894,406
1921—	
January	38,455,490
February	35,891,283
March	39,208,351

The reports furnished to this department covering imports of unmanufactured cotton do not indicate the number of bales but show figures for pounds instead.

Yours, faithfully,

HERBERT HOOVER,
Secretary of Commerce.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF PLANT INDUSTRY,
Washington, D. C., April 22, 1921.

Hon. HENRY F. ASHURST,
United States Senate.

DEAR SENATOR ASHURST: I am sending you herewith a copy of a report on cotton production in the irrigated Southwest in 1920, together with some data prepared by Mr. Kearney for Mr. Heard's use.

Very truly, yours,

C. S. SCOFIELD,
Agriculturist in Charge Western Irrigation Agriculture.

Production of American Egyptian cotton (500-pound bales).

[Compiled Apr. 20, 1921.]

1912	375
1913	2,135
1914	6,187
1915	1,095
1916	3,331
1917	15,966
1918	40,343
1919	42,374
1920 [1]	91,965

[1] Census Bureau ginning report of Mar. 21, 1921.

Imports of Egyptian cotton into United States (equivalent 500-pound bales).

Period Aug. 1 to July 31.	Bales imported	Per cent of total Egyptian crop.
1910-11	183,758	12.4
1911-12	175,823	12.0
1912-13	191,677	12.9
1913-14	137,355	9.1
1914-15	261,[illegible]	20.5
1915-16	339,554	35.3
1916-17	198,905	19.9
1917-18	114,580	9.2
1918-19	100,006	10.5
1919-20	455,003	43.7

Cotton acreage of Egypt and percentage of total in Sakellaridis variety.

[Compiled Apr. 21, 1921.]

Calendar year.	Total acres.	Percentage Sakel.
1912	1,785,000	16.2
1913	1,799,000	21.9
1914	1,820,000	22.2
1915	1,231,000	58.0
1916	1,718,000	62.4
1917	1,742,000	67.6
1918	1,364,000	72.4
1919	1,634,000	72.9
1920	1,897,000	69.5

Sea-island cotton production in United States (from Bureau of Census ginning reports).

	Bales.
1915	111,716
1916	117,559
1917	92,619
1918	52,208
1919	6,916
1920	[1] 1,725

[1] Ginned prior to Mar. 21, 1921.

COTTON PRODUCTION IN EGYPT.

Mr. ASHURST. John A. Todd, "The World's Cotton Crops" (1915), states that the average size of landholdings in Egypt in 1913 was about 3½ acres and the average land value per acre in 1913 was £50 to £200. There has been a considerable increase in land values and rentals since that time.

The average yield of fiber, according to the monthly agricultural statistics of the ministry of finance of Egypt (Oct. 31, 1920), was 343 pounds per acre for the five years 1915–1919.

The following table, compiled from Government reports of Egypt and the United States, has been compiled by the Bureau of Crop Estimates:

	Number of persons engaged in agriculture.	Acres in cultivated land.	Average area cultivated for each farm worker.
Egypt (1907–1912)	2,315,000	5,457,000	2.4
United States (1910)	12,390,000	293,794,000	23.7

COST OF PICKING COTTON IN EGYPT.

According to John A. Todd in The World's Cotton Crops (1915), the prewar wages for picking in Egypt ranged from 5 pence to 1 shilling per day, the lower wage being paid to children, who could pick from 30 to 50 pounds per day each. Taking Todd's statement as a basis and assuming (1) that adults average 75 pounds daily and received a wage of 1 shilling, (2) that the wage has doubled since the war and is now 2 shillings, this at current exchange is equivalent to about 39 cents for 75 pounds, or about one-half cent per pound of seed cotton. Since the lint percentage in Egypt averages at least 30 per cent, as compared with an average of 25 per cent in Arizona, 1,666 pounds of seed cotton in Egypt will yield a 500-pound bale. The cost of picking 1,666 pounds of seed cotton at one-half cent per pound is $8.33. The picking cost per pound of lint in Egypt, therefore, works out to 1⅔ cents, while in Arizona the cost is 16 cents when the pickers receive 4 cents per pound of seed cotton (the 1920 wage) and 8 cents when the pickers receive 2 cents per pound of seed cotton (the prewar wage).

EMERGENCY TARIFF BILL.

Mr. MOSES. Mr. President, when this measure was under consideration in the Sixty-sixth Congress I was one of four Senators upon this side of the Chamber who voted against it. I accompanied my vote with some restrained comment, in the course of which I attempted to characterize the proposals which the bill then contained and which it now contains. I thought and I think that the measure was and is unscientific, unjust, and sure to defeat the hopes of those who have advocated it.

But, Mr. President, the scanty drippings of the sanctuary which oozed from beneath the closed doors of the Committee on Finance led me to expect, and I had earnestly hoped, that the inequities of the measure, although not in themselves diminished, would at least be palliated to an extent which would permit me to vote for it, even though holding my nose while doing so. I had hoped that the antidumping provisions and the provisions for the employment of American valuations

would be such as to dilute the dose in its bitterness; but, upon examination of those provisions which I had thought might sugar coat the pill to my taste, I discovered that they are so nebulous as to provide no substantial reason for my accepting that which I can not square with my convictions and which I regard as subversive of every principle of a protective tariff as the Republican Party has taught me to look upon protection. They provide in the main, Mr. President, for an enlargement of ministerial authority in the Treasury Department at a moment when the country is seeking relief from all such provisions, being wearied to exhaustion with the discretionary and arbitrary power which the last administration seized and extended under the specious claim of war necessity.

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

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Mississippi?

Mr. MOSES. Yes, sir.

Mr. HARRISON. The Senator is delivering such an interesting address and there are so few Senators present that I suggest the absence of a quorum.

Mr. MOSES. Oh, Mr. President, I hope the Senator will not press that suggestion.

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

Mr. MOSES. I hope the Senator will withdraw the suggestion.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor, and can not be interrupted without his consent even for the suggestion of the absence of a quorum.

Mr. MOSES. I did not yield for that purpose, Mr. President. I wish to finish my remarks with continuity.

Mr. HARRISON. Very well; I withdraw the suggestion.

Mr. MOSES. I know the Senator from Mississippi is vastly interested in what I am saying. I hope he will stay even though others may be absent.

Mr. HARRISON. I am going to stay, and I had hoped that more Republicans would be here so that they could listen to the advice the Senator is giving.

Mr. MOSES. They can read my remarks.

I have heretofore regarded the bill and have characterized it on the floor of the Senate, and elsewhere, as being a helter-skelter hodgepodge of items forced into it through the power of a voting combination, sectional in its character and wholly selfish in its purpose. In fact, Mr. President, the advocates of the measure in the two Houses of Congress and in the two Congresses in which the bill has been under consideration are themselves in radical disagreement as to its effects. I have ventured to scan none too closely the report submitted on this bill by the senior Senator from Pennsylvania. I have also refreshed my memory regarding the parallel statements made in the House of Representatives in the last session of Congress by the chairman of the Committee on Ways and Means.

As a result of this examination, I find discrepancies applicable to substantially every item in the measure. The rates of duty remain unchanged from the last Congress, but the sums of estimated revenue are revealed to us in wide disparity. For instance, in item 1 of the bill now before us, and with identical rates of duty upon wheat, I find the chairman of the House committee estimating the revenue to be $2,429,529, while the distinguished chairman of the committee in the Senate estimates it to be only $35,000. Passing from the first to the eighteenth item of the bill—wool—I find the chairman of the Ways and Means Committee estimating the revenue under this measure to be $9,900,000, while the chairman of the Finance Committee of the Senate, under the identical rate, estimates it to be $15,000,000. I find the revenue from washed wool to be estimated by the chairman of the House committee at $28,500,000, while the more moderate chairman of the Committee on Finance has estimated it at only $300,000. And so it goes throughout every item in the list of 28 which make up the measure. Sometimes the House chairman sets the more rosy estimate, sometimes it is the Senate chairman who is possessed of the vision. In no case, Mr. President, do they agree. In order, however, not to weary the Senate or to detain it from the passage of this measure, which the Senator from Pennsylvania says is prayed for night and morning, and with a clamor of petition which reaches to the skies and penetrates to the Senate Chamber, even to the enlarged precincts of the floor which we now enjoy, I will not read the table which I hold in my hand, but I will ask permission that it may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. BURSUM in the chair). Without objection, permission is granted.

The table referred to is as follows:

Comparison of revenues under the emergency tariff bills.

[Note: This table shows the wide discrepancies in the estimated revenues under the two emergency tariff bills, notwithstanding the rates of duty are identical in both bills.]

Paragraph of H. R. 2435.	Commodity.	Revenue collected, calendar year 1920.	Estimated revenue (12 months) under—	
			Fordney bill as vetoed, H. R. 15275, Sixty-sixth Congress.	Young bill, H. R. 2435, Sixty-seventh Congress.
1	Wheat	$9,700	$2,429,529	$35,000
2	Wheat flour and semolina	700	657,900	16,000
3	Flaxseed	4,923,400	2,200,000	6,000,000
4	Corn		137,625	450,000
5	Beans	510,400	3,091,760	1,200,000
6	Peanuts	803,700	5,047,950	750,000
7	Potatoes	5,900	1,560,000	250,000
8	Onions	363,700	787,040	400,000
9	Rice:			
	Cleaned	215,400	2,900,600	400,000
	Uncleaned	178,500	235,575	437,500
	Flour, meal, and broken	2,500	5,038	15,000
	Paddy	1,400	70,672	3,000
10	Lemons	542,000	1,391,250	1,000,000
11	Oils:			
	Peanut	760,600	4,333,420	520,000
	Cottonseed		2,479,400	20,000
	Coconut		(1)	1,000,000
	Soya bean		3,837,000	10,000,000
	Olive	975,900	860,000	1,550,000
12	Cattle		5,851,500	900,000
13	Sheep		102,484	130,000
14	Meats, fresh and prepared		3,466,792	1,490,000
16	Cotton, long staple		(2)	12,600,000
17	Manufactures of long staple cotton	(2)	(2)	210,000
18	Wool (clothing and mohair):			
	Unwashed	351,400	9,900,000	15,000,000
	Washed		28,500,000	300,000
	Scoured		45,000,000	45,000
19	Manufactures of wool of par. 18	(2)	11,250,000	2,100,000
20	Sugar and molasses	73,678,000	42,000,000	118,755,070
21	Butter	940,700	1,250,000	120,000
22	Cheese	1,047,660	160,000	1,150,000
23	Milk and cream, fresh		85,000	99,000
24	Milk, condensed, and sugar of milk		410,000	101,250
25	Tobacco:			
	Wrapper tobacco	12,857,600	4,800,000	14,100,000
	Filler tobacco [3]	16,895,100	(1)	19,000,000
26	Apples	46,400	(1)	90,000
27	Cherries, raw, and in brine	(2)	(1)	(1)
28	Olives	629,300	465,000	1,000,000
	Total for 12-month period	120,732,000	182,626,586	211,227,820

[1] Not estimated.
[2] No figures.
[3] Although "filler tobacco" is provided for in both emergency tariff bills, there is, however, no change in rates of duty on same from existing law. Therefore this item should not figure in this table.

Mr. MOSES. I will content myself, Mr. President, with offering the only possible explanation for the discrepancies in this table which suggests itself. These figures in both instances—for both House and Senate chairmen—were undoubtedly furnished by the Democratic experts who assisted the Senator from Alabama when he drew the now existing tariff law, who assisted the Representative from North Carolina as he drew the revenue measures under the Democratic administration, and who have now been brought over bodily to serve Republican chairmen in the House and Senate and to assist them by providing statistics as misleading as those which they provided for Democratic predecessors in years gone by. I shudder to think, Mr. President, of the mass of unreliable statistics with which both Houses of Congress will presently be inundated from the same Democratic source if these men are continued in their positions as expert statistical advisers in chief to Republican framers of a supposedly Republican tariff measure.

I have dwelt upon these defects of the measure, Mr. President, not for the purpose of emphasizing the inherent weakness of the bill, but to emphasize my own party regularity which would have led me to vote for the measure despite these errors if they had been the only ones which it contains. From the beginning of the movement to enact this legislation for the supposed benefit of suffering agricultural interests it has been vigorously asserted that no amendments were to be considered, that its items were sacrosanct, and that no impious hand should be laid upon them. In pursuance of this policy, sir, in the last Congress we saw an amendment for mildly compensatory duties in the wool item offered by the distinguished Senator from Massachusetts only to be incontinently rejected. We heard the plaintive voice of the Senator from Missouri crying out in vain

for a duty on sunflower seeds. We heard the friends of magnesite, of tungsten, and of latch needles vainly imploring the obdurate Senator from North Dakota to permit a few loaves of his tariff manna to fall into their empty hands; but all in vain.

There was a duty on hides, but none permitted on shoes. There was a duty on wool, but none on woolens. There was a duty on cotton, but none on cottons. There was a duty on wrappers, but none on cigars.

The committee in the Senate was deaf and stony hearted until the junior Senator from Pennsylvania appeared before the tribunal presided over by his colleague and procured from its members the insertion in the bill of Title V, which would continue for the life of the measure the existing embargo and licensing system as applied to dyestuffs. By this action, Mr. President, the Finance Committee has violated the principle upon which the bill is supposedly drawn, for by no stretch of imagination can it be adequately contended that suffering agriculture can be benefited by an embargo on dyestuffs.

Such a proposal has been intermittently before Congress for more than a year and a half, and during all of that time I have persistently and consistently opposed it. My opposition to it has not abated now, and because of its inclusion in this measure I am compelled once more to vote against the bill. This proposal, Mr. President, is not protectionism; it is monopoly. Still less is it Republicanism. I do not believe that it is Democracy either. It is class legislation of the most vicious and dangerous kind; and it comes over to us as a device of the last administration, designed as a war measure and seized upon by the rapacious who are only too eager to continue the system under which they have already made enormous profits and as the result of which they have entered into agreements of world-wide scope to assure them gigantic and undisturbed profits in the future.

Mr. President, I am a protectionist—a protectionist in the nth degree, believing in protection almost for protection's sake. Through the operation of that doctrine, devised by Hamilton and handed down to his successors in political faith, the Republican Party from its birth has stood for the development of American industry behind the sheltering wall of a protective tariff. Our richest epochs of industrial development and national prosperity have been those during which wise protectionism has held sway. This country prospered and grew great, Mr. President, not under the embargo and licensing system but under a protective tariff; and I can not understand, sir, why the dyestuffs industry should now be considered or dealt with differently from the tin-plate industry or from any other of the great industries of America which have grown up under a protective tariff. If the manufacturers of dyestuffs would be content with the same treatment which has been given to other American enterprise and initiative, I would join with them in placing protection at whatever point, no matter how high, the necessities of their business would demand. But, Mr. President, when they come here with a renewed and impudent demand that measures arising from the exigencies of war time should be continued for their benefit at a moment when we are ardently seeking peace and a return to normalcy, my convictions and my political judgment alike forbid acquiescence. Mr. President, this proposal can not be considered as an administration measure. No word in advocacy of it can be found in any of the President's official utterances; and one looks in vain throughout his message for any suggestion that this proposal should be written into the tariff legislation which he recommends.

Mr. KING. Mr. President, may I interrogate the Senator?

Mr. MOSES. I yield.

Mr. KING. The Senator has just said that this is not, as he understands, an administration measure. May I inquire of the Senator whether, if President Harding had recommended it, he would have thought that the measure was entitled to any greater consideration or any fairer treatment, or would it come with any additional sanctity? Would there be any obligation upon the Senator from New Hampshire or other Senators to abdicate their prerogatives, forget their oaths of office, and follow that recommendation simply because it was an administration measure?

The Senator will remember that for a number of years Senators upon the other side of the Chamber have denounced the former President of the United States, Mr. Wilson, and denounced the Democrats because, as they said, the Senate and House of Representatives had degenerated into rubber stamps; that all that the administration needed to do was to make a recommendation and it became a law. I had supposed that when the Republican Party came into control there would be a manifestation of independence that would command the admiration of some of those who had been so dictated to in the past.

Mr MOSES. I hope I am giving an exhibition of that kind now, Mr. President.

Mr. KING. I commend the Senator, and I sincerely hope that his example will be followed by other Republican Senators.

Mr. MOSES. This bill contravenes the President's emphatic dictum that we shall have more than a score of the active industries of the country, and it puts hundreds of business men to the disadvantage of exposing the secrets of their business to some petty agent of the War Trade Board which continues to function, though war has long since ceased. I do not believe, sir, that any $900 a year civil-service clerk in Washington is competent to run any business at arm's length, and I can see no adequate reason for thus singling out for conspicuous favoritism an industry already so profitable that it is easily able to maintain in Washington the largest, the most highly organized, the best paid, and the most arrogant of lobbies which this Capitol has ever seen.

It appears, Mr. President, that the impoverished dyestuffs companies of the country who, in December, 1919, were hammering at the gates of Congress with the plaintive cry that they could not live out the winter unless still further privileges were given to them, have, nevertheless, been able in the meantime to expend in the calendar year of 1920 the not inconsiderable sum of $104,932.61 in pressing forward the measure now before us.

Mr. KING. Mr. President, would it bother the Senator if I should interrupt him further? I apologize for doing so.

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

Mr. MOSES. I yield.

Mr. KING. The Senator has stated that under this measure manufacturers would be compelled to make known and reveal their trade secrets, their processes, and so forth, to some supernumerary, petty official. The Senator, perhaps, is advised of the fact that quite recently the War Trade Board—and its functions of course are to be continued and it is to be perpetuated, although assigned to the Treasury Department—has required that the applicant shall go——

Mr. MOSES. I will touch on that later, Mr. President——

Mr. KING. To an organization which is controlled by the dye producers of the United States.

Mr. MOSES. The Senator only anticipates what I intended to say upon that subject.

Mr. KING. I apologize to the Senator.

Mr. MOSES. Of this amount, substantially three-quarters, or $70,464.33, was paid for that which is euphemistically described in the Knit Goods Bulletin for April, 1921, a copy of which I have before me, as "legislative expenditures." The income of this body—and I am speaking, Mr. President, of the American Dyes Institute—during the same period was derived from dues, assessments, and special assessments in the total sum of $131,976, and the items of expenditure are of such interest that I venture to ask that the article to which I refer may be included in my remarks at this time without reading.

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

The matter referred to is as follows:

[From the Knit Goods Bulletin, April, 1921.]

HIGH COST OF GETTING DYE LICENSE—OVER $70,000 CHARGED TO LEGISLATIVE EXPENSES IN AMERICAN DYES INSTITUTE'S STATEMENT OF INCOME AND DISBURSEMENTS FOR ONE YEAR.

The high cost of lobbying for the establishing of a dye-licensing system is shown in the financial statement of the American Dyes Institute of March 9 to the members of the institute. The statement comprises Bulletin A-205, and shows income and expenditure from January 1, 1920, to December 30. The total disbursements were $104,932.61, of which $70,464.33 is charged to legislative expenditures. Salaries and counsel fees are put down at $20,125.78. The cost of monthly meetings and luncheons was $2,443.43. Under legislative expenditures of $70,464.33 in one year, to secure the passage of the Longworth bill, there appears, among others, the following items:

Hotel bills	$7,670.28
Tips, meals, hotel, taxi, etc	876.66
Evarts, Choate, Sherman & Leon, fee to Joseph H. Choate, jr., up to Oct. 10, 1920	25,000.00
Judge J. Harry Covington	25,000.00
Evarts, Choate, Sherman & Leon, Joseph H. Choate, jr., traveling expenses to Paris	1,505.01
Payment on account Paris trip, Joseph H. Choate, jr.	3,494.99
Evarts, Choate, Sherman & Leon	1,020.96
Various expenses incident to distribution of A. D. I. pamphlet	872.93
Expense incident to distribution done by legislative committee	497.12
Article prepared and published	301.29
CONGRESSIONAL RECORD and printing	328.91
Supplying, addressing, and mailing postals and envelopes in congressional dyestuff hearings	559.82

The income from dues, assessments, and special assessments was $121,976. Among the accounts payable is shown an item of $21,505.01—Evarts, Choate, Sherman & Leon—this, apparently, an expense in addition to the several large payments to this firm.

At the January meeting of the American Dyes Institute the treasurer submitted his report covering the year 1920. At the February meeting the treasurer submitted the auditor's indorsement of the report, which was sent to the members in detail. Above figures are from this report.

Mr. MOSES. In this compilation, Mr. President, it is worth noting that the largest items of expenditures were those for counsel fees, which amounted to about $50,000, divided in equal parts, one paid to Joseph H. Choate, jr., as his compensation to October 10, 1920, and the other to Judge J. Harry Covington, of this city, who descended from the Federal bench in order to take the more lucrative employment which this client affords. Another interesting item is one of $1,505.01 paid to Mr. Choate for his traveling expenses to Paris, with a further payment "on account Paris trip" of $3,494.99, while hotel bills for the well-housed lobby of the dye makers amounted to $7,670.28; and the further impoverishment of the dye makers is shown by the item "Tips, meals, hotels, taxis, etc.," amounting to $876.66. It is further worthy of note that the financial report of the dye makers to their members contains the item of an amount payable to Mr. Choate of $21,505.01. For these sums—in hand and payable—Mr. Choate has spent no inconsiderable portion of his time in roaming about the country addressing parlor meetings of ladies in advocacy of national defense to be obtained by giving his clients an absolute monopoly in the dyestuffs market of America. What crimes, Mr. President, are committed in the name of preparedness when a liberal fee is attached thereto!

I have sometimes wondered, Mr. President, whether the collateral motive for pressing this un-Republican, un-Democratic, un-American scheme was not a desire to maintain or to create jobs in the Federal service, whose personnel Congress and the country so earnestly desires to reduce. For instance, Mr. President, in a letter from the American Dyes Institute, under date of May 3 of the present year, addressed to me, and I suppose to every other Member of the Senate, occurs a paragraph calling attention to the fact that the passage of the so-called Knox peace resolution will automatically end the authority of the War Trade Board, the tenure of which this bill would continue. In connection with this, sir, it is interesting to note the manner in which the War Trade Board is now functioning with regard to dyestuff licenses. An American consumer of dyes recently received from the War Trade Board a copy of the new conditions which that board has set up for the obtaining of licenses and in which it is required that the applicant must apply first to the American Dyes Institute before applying to the War Trade Board. It is the American Dyes Institute, I venture to remind the Senate, which has so lavishly recompensed Mr. Choate and Judge Covington for their services and so liberally enable them to journey to Paris and to dispense largess to the bell boys of Washington.

The moving spirit in the American Dyes Institute is one Morris R. Poucher, formerly connected with the Badische Co.—a firm well known in the chemical industry—and who is now associated with the Du Ponts, who in equal measure have become notorious and noted in the same line of business. Mr. Poucher is chairman of the executive committee of the Dye Institute; he is on the advisory committee of the War Trade Board appointed by the Dye Institute; he is on the advisory committee of the Textile Alliance, who imported the German reparations dyestuffs; he is also, I understand, director of the Textile Alliance, where he represents the Dye Institute. In other words, he is the Dye Institute, he is the Du Pont Co., he is the Textile Alliance, and it is now proposed to make him the doorway to the War Trade Board. In these various capacities the way will be open to him to know not only the details of the business of every dye manufacturer in the United States, but to secure an accurate line on the consumer as well—to whom he may dictate what he may or may not use. If this, Mr. President, is to be the policy of the War Trade Board, whose continuance is provided in this measure, the dye consumers of the country might as well understand in the beginning that the entire dyestuffs business of the United States is to be turned over to Mr. Poucher and those whom he represents, and that they will determine who shall or shall not continue in business, whether manufacturing, importing, or consuming.

The provisions of Title V in the bill, Mr. President, are open to other avenues of criticism. It would appear from the language employed that an absolute embargo is intended upon all dyes, whether natural or artificial. The word "dyestuffs" which the bill contains is new in our statutes. It has never been found in any tariff bill before. It has received no legal interpretation. It has been used indiscriminately in trade papers and in discussion, so that it is impossible to tell from the language of the bill as it stands whether this word shall include only the coal-tar colors or whether it also embraces natural dyes, such as logwood, fustic, natural indigo, natural alizarin, ultramarine, Prussian blue, and the like, to the end that its operation shall bring into its all-embracing tribute not only the textile manufacturer, the color maker, the paint factory, the lithographer, the ink maker, and the tanner, but even the humble washerwoman at her tub, who must blue the clothes before drying them.

It should also be noted, Mr. President, that the bill in this title provides no means for a further issuance of licenses, and it is by implication only that the consumer may enjoy even the limited privilege which he has thus far possessed. The personnel and the records of the War Trade Board—with such remnants of appropriation as the board still enjoys—are, it is true, transferred from the State Department to the Treasury; and there, Mr. President, will be found nebulous authority granted to the Secretary to "make rules and regulations necessary for the enforcement of this act." The Secretary thus becomes the magisterial officer who must define quality, quantity, price, and delivery. And it is pertinent to ask through whom he will exercise these functions. Is the remaining appropriation for the War Trade Board sufficient for the purpose, or shall we soon be confronted with a deficiency appropriation to provide for a new army of clerks, statisticians, and experts to be added to the army of tax eaters which the war created and which we seem unable to demobilize? In a statement issued the other day by the senior Senator from Pennsylvania he declared that the American people are more concerned in getting taxes reduced and "retiring the sheriff to the background" than in any "academic discussion of international disarmament." May I add to this sage remark the further comment that the American people are still more concerned in freeing the business of the country from the palsying hand of governmental regulation than they are in setting up any monopolies?

Mr. President, I am well aware that this bill will pass. Its advocates are already celebrating their victory. In the edition of the American Dyestuff Reporter for May 2, 1921, on its first page, will be found an article announcing in large type that "The fight has been won!" In the course of this article a deserved tribute is paid to the junior Senator from Pennsylvania for the response, "both prompt and gratifying," which he made to the appeal of the dye makers; and the editor adds that he "does not imagine that Messrs. KING, MOSES, and others of the opposition will find much to encourage them." He concludes his panegyric with the injunction that "Philadelphia, New Hampshire, and Colorado papers please copy." On another page of the same journal is to be found an order issued in rhyme, as follows:

Lordly solons, Nation's stay,
Legislative mill,
Congress, Senate, Warren—Hey!
Pass that dyestuff bill!

I assume, Mr. President, that the Congress, the Senate, and the President, who is thus affectionately and commandingly addressed by his Christian name, will be interested in the gloating already going on at Wilmington and so soon to be amply justified by the action of the Senate on Wednesday.

Mr. President, I am a Republican—orthodox and regular. I prefer infinitely to vote with my party, or with the majority of my party associates here, rather than to vote against it or them. Insurgency for insurgency's sake has no charm for me; and it is only because this measure runs counter to all the doctrines of sound Republicanism that I am voting against it. If it stood alone, if it bore no relation to more important tariff proposals which soon will come before us, it is probable that I would have contented myself with no word of protest save in my negative vote. But, Mr. President, we shall soon have before us a general tariff bill. Within six weeks it may be, certainly long before this measure shall have run its limited span of life, the tariff bill of 1921 will have reached the Senate. I am convinced, sir, that the same arguments now advanced, the same forces now arrayed to secure the passage of these proposals as an emergency measure, will then be equally vigorous in demanding that they be continued as permanent legislation. They can, and no doubt will, argue cogently that nothing has happened in the intervening time to change the situation from to-day. They will ask why if they are to-day entitled to that which this bill gives them they will not be equally entitled to it six weeks hence. To that demand no adequate answer can be made. In the passage of this bill, Mr. President, we are opening the door for the continuance of a policy which no man here in his heart believes will furnish an effective remedy for any of the distress which any interest now suffers and for which no man here can find an adequate excuse. But we shall have it fastened upon us.

The cry from the country during the whole period while this iniquitous license and embargo proposal has been before the Congress has been for a reduction in the high cost of living; and yet, sir, it is worthy of note that substantially every measure which Congress has been called upon to consider in that time has looked toward the maintenance, or the increase, of the high

prices which war fever brought upon us. The country has gone on with its cry for high and still higher wages, and prices and profits. Deluded interests still think to lift themselves by their boot straps through congressional action. What the country needs, sir, is not legislation, but liquidation. Until every interest of investment, or manufacture, or production, and of labor is willing to confront the inevitable reactions of the war, is willing to write off its losses, is willing to begin anew under the conditions which the reactions of war involve, this country can have no economic peace or progress.

A homely rhymster, whose verse is a daily delight to thousands of readers, has pictured the situation; and I ask the Senate and the country to take counsel from these words of Walt Mason:

EVIL TIMES.

There is a crisis everywhere, and all the world is in despair. I read the news from day to day, from countries near and far away, and I'm discouraged as I mark our prospects, desolate and dark. Oh, anarchy and doom and wreck and countless evils are on deck; some crisis every day appears and humps its back and pins its ears, and statesmen cry, as they've long cried, "The tail must travel with the hide." For six long years it's been the same; the crisis played its low-down game, and filled us with the dumps and blues and kept us shaking in our shoes. We had a crisis months ago because no prices then were low, and profiteers were on our trail, grinding all our hard-earned kale. That crisis slumped, another rose, and now low prices are our foes, because the cost no longer scares; thousand mills have closed their doors, and workless workmen walk the streets and clamor vainly for the eats and soak the silken shirts they wore when t'other crisis had the floor. I'm tired of all this crisis stuff; they've fed me up—I've had enough.

Mr. President, history has a trick of repeating itself. Twelve years ago a Republican President had just entered the White House, and he, too, came from the State of Ohio. Behind him stood the largest vote that any President had up to that time ever received. The Republican majority in both Houses of Congress was ample; and that majority wrote a tariff bill. That tariff bill was a Pandora's box of political evil for Republicanism. The year following its enactment saw the Republican majority in the House of Representatives swept away, saw State after State, previously deemed safely Republican, taken into the Democratic column, and saw the Republican majority in this Chamber sadly diminished. Two years later came the frightful debacle in the Republican Party, and in its train came eight years of Wilsonism and war, bringing with it the embargo and licensing system which this bill would continue. I hope, Mr. President, that the Republican Party of 1921 is not again setting its feet in the path of 1909.

Mr. KNOX. Mr. President, I have listened with great attention, some amusement, and some astonishment to the combination of logic, eloquence, doggerel, and prejudice which have been emitted by my distinguished friend the senior Senator from New Hampshire [Mr. MOSES]. It is not my purpose to approach the consideration of the amendment to this bill for which I am responsible from the standpoint of a profit and loss account of a Dolly Varden calico mill in New England, nor from the standpoint of the roster of the dead who have died in this Great War, from the standpoint of the list of casualties, but I make my appeal to the men who have followed the history of this war and learned the lessons it has taught. It will require but a few moments, Mr. President, to justify this amendment, explain its purpose, and satisfy thoughtful men of its wisdom.

When the Great War with Germany broke out 99 per cent, perhaps, of all the projectiles that were flung against the allied forces were filled with high explosives, high explosives which France and Great Britain could not and did not produce, but which eventually were produced by the United States. In the last great retreat an examination of the huge ammunition dumps of the German Army showed that over 30 per cent of their projectiles, instead of being charged with high explosives which merely exploded the projectile and scattered its fragments, were filled with poisonous gases which commingled in the air and asphyxiated and destroyed thousands even though not within their immediate range.

What does that lesson teach? It teaches that from practically a negligible quantity of projectiles charged with poisonous gases during the war there developed full 30 per cent so charged, and if the war had continued two years longer and America had not made the progress which enabled us to meet these people upon common ground the story of the war would have been different.

Let me read to you, Senators, a few observations made by a man whom I have the honor to call my friend, Col. Phillippe Bunau-Varilla, who left one of his legs upon a field in Flanders, in speaking of the blindness of the French people in not meeting the Germans upon the common ground of the development of organic chemistry and therefore the production of chemical armament. He said:

This seems incredible, but it is a fact!

The blindness of the French administration, the deceiving songs of the pacifists as to the impossibility of a European war, had gradually led France to get engulfed in the methodic and devilish entanglement of the German dyestuff industry.

The terrible situation in which France, as well as Great Britain and Russia, was placed by the lack of ammunitions after the earlier battles of the war is explained thus:

Who makes dyes to-day can to-morrow make high explosives—with the same men, with the same plant, with the same materials—provided he disposes also of oxidized nitrogen.

The dye industry and the high-explosive industry are so intimately connected as to be virtually one. In fact, melinite and trinitrotoluene are nothing but hydrocarbides, extracted from distilled coal tar, in which is incorporated oxidized nitrogen.

Germany had established all over the world the monopoly of her apparently innocent dye industry. It was the scientific noose which was going to strangle all her enemies after the first months of war owing to the famine of explosives.

The vile methods of warfare admirably condensed by the celebrated Count Luxburg, the minister of Germany to Argentina—suggesting neutral ships should be sunk "without leaving traces"—were also followed in peace. The same men who enjoyed the hospitality of the United States, while depositing bombs with time fuses in the ships leaving the American wharves, were active during peace times also.

The dye industry being for everybody, except Germany, a peaceful one, and for Germany only, a war industry, it was protected against competition by German war methods.

Whenever a non-German dye appeared either in France, Great Britain, or America, immediately it was stifled under an avalanche of German goods. If, however, the competitor resisted the business pressure he was soon put out of commission by the purely Boche trickery.

Suitable additions of noxious substances were made by criminal hands in the mills of the users of non-German dyes. Everybody was soon convinced that non-German dyes did not possess the standard qualities necessary for their industrial use. By this double method in time of peace—dumping and sabotage—the Boche acquired the practical monopoly of the dye industry. Free-trade nations were glad of it. The innocent economists and the candid pacifists were conveniently misled, while in fact the monopoly of the dye industry constituted the control of explosives by Prussia. She alone was capable of making the explosives on a large scale, when she should decide to let loose her dogs of war and to complete the task which she had begun in 1619. This monopoly was to insure her conquest of the world.

Everybody remembers the universal complaints about the absence of dyes when the war was declared by Germany. Nobody, of course, remembers any complaint about the absence of explosives. It was, however, the very same question. The manufacture of dyes was the manufacture of explosives. The various nations abstained, naturally, from exposing their incredible blindness and the almost criminal neglect of their Governments in not having taken, during peace, adequate protective measures. Their stock of material for providing their artillery with high-explosive shells was practically just sufficient for the first weeks of the war.

Germany alone was capable of the industrial effort necessary to furnish the large masses of explosives required for the war. She had of the plant, she had of the personnel, she had of the raw material.

She had also succeeded in freeing herself from the necessity of importing nitrates from Chile. Chile, on the contrary, was the only source open to Germany's blind enemies for obtaining the oxidized nitrogen which is the essential element of high explosives or of gunpowder.

Thanks to supreme technical efforts she had succeeded in devising the proper scientific and industrial methods to extract from the atmosphere the oxidized nitrogen necessary for the manufacture of her explosives. It is safe to say Germany alone among the nations at war could produce an unlimited quantity of explosives on her own soil and with products generated within her own frontiers.

Mr. President, to-day perhaps the noblest call to man is the dissipation of the possibility of future war, and perhaps one of the strongest arguments that can be put up to Governments is that to avoid war we must disarm. But what profits it, Mr. President, if we shall destroy our battleships, if we shall destroy our arsenals, if we shall cease to cast guns and swords and bayonets, if we leave the world's productive capacity of organic chemistry in the hands of Germany, which enables her to turn out instantly, with the flexibility of her plants, the most deadly weapon that human ingenuity has yet devised? You may sink every German battleship to the most remote cave of the sea, you may reduce to dust her proudest fortresses, you may blow the great Krupp plant to hades, and you may cast the big Berthas into plowshares and pruning hooks, but if you leave the dye industry in the possession of Germany she has the world by the throat.

Mr. President, those of us who take an interest in what has happened during this war, those of us who seek intelligently to understand the causes of the great destruction of this late war, those of us who have visited the hospitals and seen the asphyxiated boys, many of them demented—my God, how can we refuse by our votes to take over to ourselves the ability to do that which they would do? Nations do to each other what the others would do to them, but if we are wise we should be sure to get ready to do it first.

I place no importance at all in this discussion upon the economic features of this amendment, and yet perhaps there could be no greater argument made for any American industry than could be made for the protection of the dye industry, when you take into consideration the circumstances under which it came into being.

Woodrow Wilson had the vision to see what it meant. Twice has he specifically, in his messages to Congress, called attention to the necessity of the building up of this great arm of national defense. In 1914, when the war broke out, there were seven manufacturers of dyes in the United States. In 1920 there were 184, and yet we hear gentlemen cry "monopoly"; that this industry is in the hands of a few. We hear gentlemen complain of the efforts these people are making to protect the two or three hundred million dollar investment. Mr. President, every time a superbattleship is built in the United States it is paid for to the extent of forty or fifty million dollars out of the pockets of the American taxpayers. Every time a dye plant is constructed which costs forty or fifty million dollars it is built at the expense of private individuals, who, because of the peace-time uses of their product, can afford to construct these plants, which, as I have said, are almost instantaneously convertible into munition plants. Yet your battleship in five or six years is obsolete and your investment is gone; but your dye plant, if the country is progressive, will become greater and greater and more efficient, not only for the purposes of peace but for the purposes of war.

We hear complaints that these institutions are great, enormously capitalized, and make large profits. Mr. President, in this day of grace, when great things are being done in the world, it requires great instrumentalities to accomplish them. You can not equip an army to fight 5,000,000 Huns in the blacksmith shops at the crossroads, and you can not finance it at the little national banks in the villages throughout the country. You have to take a view of this situation, Mr. President, that is becoming the size of our country, the dignity of our statesmanship, and the wisdom and patriotism of the men who sit here and represent the American people.

I ask leave to print as an appendix to my remarks an article in the New York Herald, written by Mr. Edwin C. Hill, on the uses of gas in warfare.

The VICE PRESIDENT. The Chair hears no objection, and leave is granted.

APPENDIX.

WORLD MASTERY LIES IN "DEW OF DEATH"—POISON GAS FROM AIRPLANES WILL DECIDE NEXT BIG WAR—GEN. FRIES, CHIEF OF THE CHEMICAL WARFARE SERVICE, DEPICTS HORRORS AS A REAL DANGER FACED BY OUR ISLAND POSSESSIONS AND EVEN BY NEW YORK—AMAZING REVELATIONS IN OFFICIAL MEMORANDA.

"Horrors of the Great War reached their climax with the use of poison gas projected far behind the front lines by means of gas-filled shells. Yet terrible though the results were both for the fighting forces and civil population, they pale into insignificance beside the picture of the gas war of the future painted in the accompanying article.

"The facts about armament plans of the several nations gathered by the New York Herald and presented in these columns from time to time have attracted nation-wide attention. The details presented to-day—all from official sources—are sure to gain international attention. No such frank revelation of the possible use of poison gas dropped broadcast by fleets of airplanes ever has been published, and the description of the probable results staggers the imagination. Literally, as the writer says, 'The mastery of the world rests in the dew of death.'

"[By Edwin C. Hill.]

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"NEW YORK HERALD BUREAU,
"*Washington, D. C., May 7.*

"Hurricanes of steel smashed German power on land and sea. The dew of death will paralyze and destroy the lunging battalions of a future assault against civilization.

"The last war ended with diapason closing full, great guns roaring from the North Sea to the Alps, the ears of the warriors dinned by infernal tumult. The next war will close in the silence of death, broken only by the moaning and the screams of the blinded and the burned.

"Wars of the past have been conflicts of artillerymen and engineers, clumsy duels with clumsy tools not very different from the tools used by Napoleon, Grant, and Von Moltke. Wars of the future will be unimaginably dreadful struggles, directed by middle-aged and elderly persons in spectacles sitting in laboratories and loosing upon fields of battle, battle fleets, and great helpless cities miasmas of death that not only destroy the body but wreck the mind through fear, sheer terror of the mysterious, the unknown.

"Compounds of volatile, lethal poisons, poisons that will fall as dew from the clouds, literally a dew of death; poisons that will be drifted across great spaces like fever murk from a swamp; poisons that will be discharged in shells from pneumatic guns, furtively, silently, will contend for the mastery of the world. These will be chemists' wars, if wars must come again, and the simple truth is that the mind of man is not yet able to picture the horrors that will be released.

"DREADFUL FORECAST OF EVILS BY NEW WAR DESTROYERS.

"Great cities, an ocean apart from their country's enemy and tranquil in fancied security, far out of reach of the longest range gun, will stir from sleep in the night to the agony of their people, as from unseen poison ships, circling above them in the dark, dews of death fall to blind and burn and paralyze. Fortresses, manned by the most powerful ordnance man has been able to perfect, will lie helpless under this gentle, frightful rain. Armies with banners will be leveled to the dust, no longer armies, but masses of sightless, pain-crazed human beings, incapable of motion, incapable of thought.

"In all the thousands of years that men have schemed to slay other men for greed, ambition, or the love of women nothing even remotely so terrible has come into warfare as the discovery and coldly scientific application of poison gases as a weapon. The possibilities are absolutely illimitable. There are 200,000 chemicals known to man, and as yet only 5 per cent of this vast number have been used for experimentation. Yet with the few discoveries made in the 5 per cent and employed in the Great War the casualties were terrific.

"The Surgeon General of the United States Army reports that almost one man out of every three that entered the hospitals of the American Expeditionary Forces as a battle casualty was suffering from enemy gas. Including the marines and attached naval personnel, poison gas caused 72,056 casualties, of which 1,271 proved fatal. That is what the dew of death did to American fighting men. What it did to the French and the British can be imagined without statistics.

"Yet from 1915, when the Germans first drifted a poison cloud across the field of Ypres, until they surrendered, more than three years later, they developed only 3 per cent efficiency. Had it been 50 per cent so early in the struggle, or even later, history might have had another tale to tell.

"'Had they got up to 50 per cent,' said Brig. Gen. Amos A. Fries, Chief of Chemical Warfare Service, United States Army, 'we would have had to come home—those of us left.'

"IN ITS INFANCY DURING LATE WAR—NOW A MENACE.

"At Ypres in 1915, when the Kaiser's hosts added the new terror to warfare, they had the world in their hands had they followed up the shocking surprise their poison waves sent through the British and the Canadians—but they did not follow it up. One is reminded of Victor Hugo's explanation of French defeat at Waterloo—the sunken road of Ohain, Napoleon's strange indecision, Grouchy's blunder. Hugo put it in a word: 'God.'

"Nor did the Germans advance their primary advantage with the energy that had marked them in all other fields of military achievement and purpose. The German chemical-shell program was 25 per cent of their artillery ammunition. During the entire time that the American troops were in action it is doubtful that the chemical-shell firing ever exceeded 15 per cent. They could not manufacture chemicals fast enough. In the battle of the Meuse-Argonne, the longest and hardest-fought battle the American troops participated in, the Germans used a relatively small amount of gas. Their available supply had been dissipated in other sectors and little was left to employ against the Americans. But with poor efficiency and a dwindling supply it must not be forgotten that German poison gas struck out of the battle line one in every three of the American fighting men who went to hospital.

"Does anyone think that the vision of whole cities thrown into helpless agony by invisible airships dripping poison is too fantastic? Or that it would be impossible to subdue such fortresses as Corregidor or the green-terraced ramparts that guard the Narrows of New York Bay? Nevertheless that is the cool and carefully weighed opinion of Gen. Fries and of his aids in the Chemical Warfare Service. They approach these amazing conclusions with knowledge of secrets that are not accessible to the rest of us—grim and dreadful mysteries that have been worked out in the great Chemical Warfare Service laboratories at Edgewood, Md., and in the many private laboratories whose science is given to the United States Government.

"If the Philippines are ever attacked by an enemy, it will be a gas attack, Gen. Fries believes, and the measure of his opinion is indicated in the following interesting memorandum he sent a few days ago to Maj. Gen. Leonard Wood, who is now on his way to our Far Eastern possessions. Here it is:

"FORECAST OF LOSS OF PHILIPPINES BY GAS RELEASED BY ENEMY.

"Japs can take Philippine Islands with gas—let us assume Japan has decided to make war upon the United States. Her first objective is the Philippine Islands. They lie to the south of Japan and more or less parallel to the Asiatic coast as is Japan herself farther north. American troops and fortifications are concentrated on the island of Corregidor at the mouth of Manila Bay. This is the usual tropical island, with an extreme length of 7 miles and an extreme width of 1

mile, the total area being less than 3 square miles. It is rather a typical promontory on the west, gradually shading off to almost sea level on the east. It has the usual tropical growth, with cleared places for barracks, officers' quarters, and gun emplacements.

"Japan, having decided on war, will seize a small bay within 100 miles of Corregidor. Her air force will fly there by way of Formosa and land in the little harbor picked out. She will carry in her fleet 100 tons of mustard gas. This gas and the methods of making it were thoroughly worked out by the different Allies in the World War. Hence Japan's knowledge of the gas and of manufacturing it are complete.

"A force of 50 planes, each carrying 1 ton of mustard gas in a simple tank, will leave at night for Corregidor. A half hour later they will be over the island and will be sprinkling it thoroughly with mustard gas from one end to the other. Fifty tons of mustard gas, even if half of it is wasted on the surrounding waters, will form a deadly concentration that can not be gotten rid of under 5 to 10 days. Men can not live anywhere on the island without wearing masks and oil clothing which is gas proof.

"Within 48 hours the place will be practically untenable for anybody. Animals and all human beings will begin to grow sick from injury to the lungs or from very bad burns. Forty-eight hours alone will suffice for a reduction of the island without firing a shot. Thus will pass the Philippine Islands into the hands of the Japanese.

"The next step will be just to hold the Philippine Islands and wait for results. They might possibly attempt to apply the same methods of attack against the Hawaiian Islands. It is perfectly certain that the attack would be just as successful against the Hawaiian Islands as against the Philippines, unless the Americans have a superior air force that can keep the invaders away.

"The Caroline and Marshall Islands, including the island of Yap, over which the Japanese are to have a mandate, would afford numerous small harbors which would be ideal landing places for airplanes.

"In addition to an air force, the Americans must have a sufficient fleet within striking distance of the Hawaiian Islands to prevent the Japanese from seizing one of those islands as an air base. If not the Japanese can seize a small island with a landing place for their airplanes, and with a fleet of aircraft they could force the evacuation of the American forts in Hawaii by sprinkling gas just as in the case of Corregidor.

"This is merely an outline of the method of attack. How incomparably more simple is this seizing of Corregidor when compared with its seizure by any other means. And this is no dream. Anyone who knows mustard gas knows that if about 10 tons per square mile be sprinkled over an area inhabitants can not exist there still after three days under the best of conditions. Generally the time will be from 5 to 10 days in the tropics. The question of defense against such an attack is practically impossible without a superior air force.

"From this point of view it is not seen how America can hold the Philippine Islands. This is for the reason that it is not seen how the United States can maintain in those islands an air force greater than Japan could probably bring against it. The situation at Hawaii differs somewhat, but if we are to hold the Hawaiian Islands we must combine a large Navy with an air force which will be sufficient to keep Japan from seizing any of the islands as an air base.

"GEN. FRIES DESCRIBES POSSIBILITY AS A VERY REAL DANGER.

"In preparing this extraordinarily frank memorandum, Gen. Fries 'got right down to brass tacks,' as he says, believing that no good would be served by minimizing a very real danger. And the same danger would apply, in his opinion, to any part of the United States whatever in war time if the Navy was not big enough and the air force not numerous enough to keep an enemy from establishing a base for poison-gas attack.

"Take New York City itself—

"Said the general—

"New York, the magnificent. For the sake of argument, let us assume that the United States Navy, allowed to deteriorate, had suffered defeat or that the Atlantic Fleet had been outmaneuvered by a cunning foe. Let us assume that the same neglect of military aviation continues. What then? The answer is as certain as night follows day. Airplanes are being developed so that even now it would be possible for great squadrons to leap the Atlantic and sprinkle our cities with burning poison. If an enemy nation could seize and hold a base in the Caribbean, we would be wide open to the most frightful bombardment mind of man ever conceived—not a deluge of shot and shell but a rain of something infinitely more dreadful.

"We know that 10 tons of mustard gas will isolate a square mile and make life impossible in that square mile. Suppose a fleet of 100 poison sprinklers swooped over New York in a night, having defeated or evaded the American flying fleet. Death, desolation, and defeat would most certainly result. In the millions of the great city hundreds of thousands would be blinded, burned horribly, driven insane from terror. It is not a picture one cares to contemplate even in speculation, but I tell you that the scientific use of gas in warfare is approaching this extreme of horror.

"The American people should know that these possibilities exist, that the peril is not a nightmare of military men, but a cold, scientific fact, well enough proved in the past war and infinitely more potent now. We have adopted a policy of the utmost frankness because we believe in the sound judgment of the American people. We have our secrets, but we do not believe in trying to keep too many matters secret. Too much secrecy often defeats the very purpose of secrecy. We believe in being frank to ourselves, to our committees in the Army and Navy, to Congress, and to the people as a whole. We believe in publicity, because we don't see how the Army and Navy, or any of the other institutions of our Republic, can be properly supported unless the majority of the people have a correct understanding of what those institutions are and how they should be maintained.

"BATTLE FIELDS OF THE FUTURE NEVER TO BE FREE FROM GAS.

"Poisonous gases in the past war caused 27.3 per cent of all American casualties, killed and wounded. Considering only the wounded admitted to hospitals, over 31 per cent were gas alone, and yet the use of gas, even at the end of the World War, was a child's game compared to what it will be in the future. With gas drifting from clouds let loose on the battle line, with gas being thrown to enormous distances by all calibers of guns, and with gas raining from airplanes or bursting from airplane bombs, the battle fields of the future will never be free from gas.

"This is no exaggeration. We have the raw materials for these gases. We have the personnel to manufacture them. We have the factories. More than that, we have the men in the Army and the Navy and the Air Service that will distribute them; and the military man who fails in the future to consider gas in every problem he studies is failing to consider the most powerful weapon of war, both for offense and defense.

"There is still talk in places that chemical warfare may be abolished by agreement. It can't be done. If you can abolish chemical warfare by agreement, you can abolish all war by agreement. It may be argued that we have agreements that have been kept, such as not to use poison bullets or not to poison wells. Such agreements have been kept for one reason, and one reason only. The methods are inefficient. Poisoning of wells is a species of guerilla warfare comparable with stabbing a man in the back, and gets only an occasional casualty. But chemical warfare, getting its casualties by the tens and hundreds of thousands, is too powerful a force for any military commander to overlook, either for offense or defense, and too powerful for any nation to dare trust that no other nation will use it in war. History proves that no powerful method of making war has ever been abandoned until a more powerful method was devised. And why shouldn't we use poison gas? It is just as sportsmanlike to fight with gas as it is to fight with rifles or swords. Gas, being so universally adaptable, requires the highest intelligence and the keenest minds to use it successfully. We Americans believe we have the mind, the skill, and the ingenuity to use it just a little better than anyone else.

"A recent writer in a military magazine stated that gas would probably not be used in our barrage during an attack, because of the difficulty it might cause our own troops. He forgot the enemy—a dangerous lapse of memory for any military man. Battles have been lost and nations have been swept away because commanders of armies forgot to figure on what the enemy might do. Consider our own barrage behind which our troops are marching to battle, with the wind blowing toward us: This is the most dangerous condition for our own use of gas. But what of the enemy? This is exactly the opening he is looking for. Under such conditions he will deluge our advancing soldiers with gas from the very moment they start until they cross his lines. If we do not deluge him in our barrage, we give him the use of the most powerful weapon of war without any danger to himself. If the wind be blowing toward the enemy, we will certainly deluge him, because our own gas can not come back to us, and the enemy for that very reason will deluge our advancing infantry because he knows we will be deluging him.

"This simply means that gas will be used everywhere, in every battle, and woe be unto the general and his staff who fail to prepare so to use it. No war can be fought without suffering casualties, for, as Napoleon said, 'To make an omelet you must break some eggs.' We recognized that fact when we drove our men so close to our high-explosive and shrapnel barrages that we had many casualties from our own shells. Why did we do it? Simply to enable our men to get into the German trenches before the German machine gunners, hiding in deep dugouts, could man the trenches and mow our men down with machine-gun fire at short range.

"CHEMICAL WARFARE IS CHEAP, BUT GERMANS PROVED IT TERRIBLE.

"Chemical warfare is a very economical method of waging war or maintaining peace. It is doubtful if 15 per cent of the German shells fired at American troops contained gas, yet that 15 per cent of gas shells alone accounted for almost 30 per cent of all our casualties. The United States spent in the World War for gases, gas masks, gas plants, and all other needs of the Chemical Warfare Service $120,000,000, less than one-half of 1 per cent of the cost of the war, and yet with that one-half of 1 per cent more than 4,000,000 masks were shipped overseas, sufficient to equip the entire army in France and leave on hand at the signing of the armistice 1,000,000 masks in reserve. More than 3,600 tons of liquid gas were shipped to the British and the French and filled into shells by them. Several thousand tons of other chemical-warfare supplies were shipped to France. A number of plants were built, among which is the great plant at Edgewood Arsenal, one of the most valuable war plants in existence in the United States to-day.

"Give the Chemical Warfare Service 2 per cent of the appropriation for the Army, and, if the Navy desires it, 1 per cent of the Navy appropriation, and we believe that we can do as much to guarantee American success in war as could be had with 25 per cent spent in any other way.

"We have developed two new gases that may play a tremendous part in warfare. One is a new cloud gas, transmitted from toxic smoke candles. The old type of cloud gas required the burying of cylinders in deep trenches, requiring the work of many men for many days in order to prepare an attack. This method is obsolete. The modern method is to heat a solid. The solid gas, contained in a simple holder resembling a squat, old-fashioned lantern, is released when a fuse is lighted. It is safe and fool proof. It may be crushed, mashed, or punctured with bullets without harm being done to the person holding it. These candles may be very light or very heavy. They are so small as to be carried in a knapsack or so large as to require the efforts of many men. They are thus suited to the Navy, the Air Service, the Cavalry, Infantry, or special gas troops. Cloud gas attacks are highly efficient and by the new method can be launched at any time, day or night, that the wind is right.

"The other new thing is a liquid gas, the effect of which is to cause burns that are severe and difficult to heal. If three drops of this gas be absorbed into the skin it will cause death in most cases, while lesser quantities down to a tenth of a drop will put every man touched in the hospital. This gas and the common mustard gas, which burns the skin, can be sprinkled from airplanes in practically unlimited quantities. Entire fields, forests, camps, and railroad centers can be deluged with this dew of death. To work within an area so sprinkled men must be thoroughly protected by masks, by gas-proof clothing, and by gloves, all of which, at the very best, would keep out gas only a few hours. Even if clothing be found that would keep it out indefinitely, consider the enormous burden of transportation, of physical effort, and of mental strain required merely to live in such an area, let alone work and fight. When men must don masks for working or fighting their efficiency is reduced, and here again the value of gas in warfare is a telling thing.

"Mustard gas, which is heavy and always hangs low upon the ground, makes trenches and dugouts dangerous. It burns any soft tissue and moisture heightens its effect. It caused more casualties in the past war than any other gas, putting more than 30,000 American soldiers in the hospital. High explosives will not destroy it. It can be sprinkled from airplanes or fired in shells or bombs. To breathe it is like breathing flames. It can be placed in steel drums and released by electrical connection. It may be useful some day in defending the

Panama Canal and our own seacoast. If the British had had 5,000 tons of it in 1918 they would have stopped the German drive in the first 5 miles.

"Dyphenal-chlorarsine, made of carbolic acid, chlorine, and arsenic, is fired in shells or used in cakes in concentrated form. In high concentration it is deadly. In low concentration it causes severe coughing, pains in the chest, and vomiting. The effects of it simulate pneumonia. It penetrates all save the very latest types of protective masks and a drop or two of the stuff upon a man's clothing will put him out of action. In defense it could be launched in cloud form against an enemy when the wind was right, or it could be fired in shells when the wind was adverse.

"Chlor-acetophenone—carbolic acid and acetic acid—is a tear gas. Nearness to the mere edge of its smoke causes blindness from excessive tears. It goes into shells and is spread by heat. This is the gas that will be used in the future to break up mobs, and it should be a tremendous asset to every police department. Mobs are helpless when they can not see. We are at work now upon a substance even more powerful than the tear gas developed by the war. At all times we conduct a warfare among ourselves in the Chemical Warfare Service. We do our best to find a gas that can not be stopped by our most modern masks and clothing. When we find that we invent new masks and new clothing; then look for a more penetrative gas. It is like the old contest of the burglar and the safe manufacturer.

"Phosgene is a liquid gas that volatilizes almost instantly. It irritates the lungs very severely and produces symptoms that are familiar to doctors in pneumonia cases. In treating sufferers the same methods are used, indeed, as are used in treating pneumonia patients.

"Lewisite, a new gas discovered by Prof. Lewis of Northwestern University, resembles mustard gas, but is more powerful in burning qualities. It volatilizes even more quickly. We are just beginning to produce it and it will undoubtedly play a large part in the next war.

"Brombenzyl-cyanide, liquid and another form of tear gas, is very persistent and volatilizes as slowly as mustard gas. It forces the wearing of masks without much expenditure of ammunition.

"These are some of the principal gases that we are constantly experimenting with, and about which we know enough already to be certain of the dreadful weapons they will be in future wars. What we are after is a gas that will be colorless, tasteless, odorless, that will kill instantly whole masses of men, and without the slightest warning of its coming. If that gas is found, and I believe we shall find it, it is impossible to see how an army could stand against it. With that gas conveyed in motor-truck cylinders resembling the oil trucks of common use, no fleet could even approach near to our coast, no army near our borders. Imagine its possibilities in offensive warfare! Even with the small soda-water cylinders they used, the Germans were able to send gas 15 or 20 miles.

"Chemical Warfare Service and poison gases have great and valuable uses in peace. We are working with the farmer and the fruit grower, as well as with the Army and the Navy. We are preparing plans and methods to eradicate plagues by destroying rats and other carriers. We are looking for a method to attack the boll weevil. We are working on gases to kill the insect pests of fruit trees and to attack locusts in the Philippines. We have made many discoveries in our chemical laboratories that will aid agriculture and industry.

"It is all a natural development carried on by man's ingenuity under stress. In the beginning wars were won by the side that had the greatest amount of brawn. The slaying of Goliath by David is the first recorded instance of the use of science in a conflict. The stampeding of Hannibal's death-dealing elephants with flaring tar-dipped arrows was another example of an innovation in war. The first use of gunpowder revolutionized warfare and completed the rout of the steel-clad knight that was begun at Crecy by the English long bowmen. And the first use of gas in the World War would probably have ended the conflict in 1915 if the Germans had but taken advantage of the situation their gas attack created.

"Chemical warfare is a terrible thing, but it is here, and here to stay. The day may come when the preservation of American liberty may depend upon it."

Mr. STANLEY. Mr. President, with the unemployed not to be found between the seas, and labor receiving the most munificent reward ever known in the annals of American enterprise, the Republican Party made this solemn platform declaration—

We pledge ourselves to earnest and consistent attack upon the high cost of living—

And that promise was emphasized and dignified as a solemn covenant by its candidate.

We can promise no one remedy which will cure an ill of such wide proportions—

Said candidate Harding in his speech of acceptance—

but we do pledge that earnest and consistent attack which the party platform covenants.

The chairman of the last Republican convention was not less earnest or less emphatic in assuring the people that if intrusted with power his party would keep that covenant, would make "that earnest and consistent attack."

The rise of prices—

Said Senator LODGE—

the high cost of living which reach daily into every home is the most pressing as it is the most difficult and most essential problem which confronts us. Some of the sources of this trouble can be reached by legislation, although not all, and everything that can be effected by law should be done at once.

At last, Mr. President, we have the promised legislation. The Republican Party now proposes to solve "the most essential problem which confronts us" by an embargo upon foodstuffs, by piling upon the towering and abhored rates of the Payne-Aldrich bill a higher duty still upon food and raiment, by penalizing every producer of life's essentials who dares to offer food or clothing or shelter to your countrymen except at the same or a higher figure than it is sold at the place of production or in any other market of the world.

This bill makes a mockery of your President's sacred covenant, your party's solemn pledge, "a promise made to the ear and broken to the hope." The obligation to keep that pledge inviolate is a hundredfold more binding now than then. The promise was made at a time of high wages and universal employment; and now, in the midst of depression and distress, wage cuts on every hand, factories, mines, and mills closed everywhere or working upon reduced time, 5,000,000 desperate, jobless men and their wives and children in destitution and despair demand the fulfillment of that pledge, the keeping of that covenant. Their meager and diminishing savings will no longer sustain the intolerable burden of the existing cost of every essential of life. They are demanding, and they have a right to demand, that promised relief. They ask for bread and you give them a stone. They demand the enactment of legislation cheapening food and clothing and shelter, and you enact a bill deliberately designed to enhance the power of the Wool Trust, the Beef Trust, and the Lumber Trust in maintaining the existing scale of prices.

GROUNDLESS DREAD OF GERMAN COMPETITION.

Alleged dread of German competition is the "bogey man" used by the advocates of high and higher prices to frighten the American consumer into an acceptance of this legislation and a patient endurance of its burdens.

Prior to the Franco-Prussian War the German States exercised but a negligible influence upon international trade, controlling but a bare 7 per cent of the world's commerce. With the formation of the Empire and the acquisition of Lorraine, Germany's foreign commerce, especially her trade in coal and iron, advanced by leaps and bounds. Having despoiled her neighbor of enormous resources in ore and coal, and as ruthless in industrial methods in peace as in military operations in war, Germany did invade the markets of the world and by the most ingenious forms of destructive competition attempted to secure that control, especially over the steel and iron industry, which she had long enjoyed in the production and sale of dyestuffs.

In underselling competitors German industries employed the kartell, resembling in many respects the American trust, but better adapted to the invasion of foreign markets and the destruction of foreign competition. Under this system the constituent companies, while maintaining their separate organizations, sell to a central agency, and when necessary contribute a bonus in the marketing of a surplus in foreign markets. Behind these formidable combinations stood the Bank of Berlin and the moral support and illimitable resources of a mighty State.

Special reductions and rebates were cheerfully given to export trade, and a great merchant marine was subsidized to carry the German product at the lowest possible cost to the remotest corners of the earth.

Perhaps the most powerful of these kartells, the Central Verband of Dusseldorf, having secured the control of the iron markets of Germany, Austria, Switzerland, and Belgium, boldly attempted to take and to hold the foreign commerce of the world. Starting with a negligible trade, by 1911 Germany had caught and passed her greatest, most formidable rival, controlling 20 per cent of the world's output in iron against 18 of United Kingdom and at the same time becoming her closest competitor in the production of coal. Germany's exportations in the same year reached a total of 6,100,000,000 marks against 4,100,000,000 marks of Great Britain.

This powerful kartell did not hesitate to engage in the most destructive competition or to make any reduction in export prices. Nails selling at 25 marks per hundred kilograms in Germany were offered to the rest of the world at 14 marks. Such practices were openly avowed and boldly maintained by this organization.

Large steel plants—

Said the Verband—

must work to a certain maximum capacity without interruption if they are to remain efficient and produce at a minimum cost. It is impossible for the home market of any plant in any country to absorb a large output without interruption in the flow of orders due to periods of depression from economic causes outside the influence of the steel industry. * * * The Steel Verband therefore maintains that it is better for the entire economic life of the country in slack years at home to dispose of surplus products abroad at prices which may even cause a loss, inasmuch as the loss incurred by dumping abroad is in no comparison to the losses which would be incurred if production were reduced at home.

The bold avowal of such principles and practices was viewed with apprehension by academicians and political economists in

America. David Jayne Hill in the December issue, 1915, of the North American voices an almost hysterical alarm:

In war it is expected that victory will cost a certain loss of life. For the sake of ultimate triumph the state (Germany) is ready to make this sacrifice. Why not then incur temporary losses for the sake of final victory in the bloodless battle of commercial supremacy? More than any other people the Germans were prepared to do this, and did it cheerfully. The same products of iron that in Germany itself sold for 120 marks a ton sold in England, South America, and the Orient for 103 to 110 marks, and in Italy for 75 marks.

What was the effect of this industrial warfare upon the domestic and foreign markets of America? Safely ensconced behind a tariff wall at home and abundantly able to take care of himself abroad, the American producer remained secure and serene. Undismayed by this wholesale "dumping" upon the world's markets, the head of the United States Steel Corporation approved the principles and emulated the practices of his German competitor. On June 2, 1911, Judge Gary said:

There is a practice all over the world of dumping, as it is called, surplus products. It is really for the same reason, that the merchant at some seasons of the year clears his shelves and sells what he has on hand at less than cost. * * * This export question is a very important one, and I have no doubt this committee will consider it. Now, some years, and, in fact, many years, we do export at prices somewhat less than domestic prices, but the total result is that we can afford to sell for domestic consumption at a lower price. All countries do exactly the same thing. The net result is not prejudicial to the domestic purchaser but is a benefit to him.

The American manufacturer entered into active competition with this powerful Verband in the markets of Japan, China, Australia, Cape Colony, and the United Kingdom. According to a report of the commission on German industrials—

In 1890 the United States of America's output of wire was 457,099 tons; in 1902 it was 1,574,293 tons (rising from 965,934 tons in 1901 and $46,291 in 1900).

The United States Steel Products Co. exported 5,000 tons of steel a day or 1,500,000 tons per annum, and by 1910 the Steel Corporation's exportations reached the sum of 3,000,000 tons.

Other steel products were not less successful, and everything made of steel, from a wrist watch to a locomotive, American cash registers and typewriters, sewing machines, mowers and twine binders, offered at less than the allied cost of production at home, found ready sale in the markets of the world in the face of the fierce competition of the German Kartell.

This German invasion of foreign markets was impossible without the aid of concessions and rebates by land carriers and subsidies on the sea.

With the rich ore fields of Lorraine restored to France, the Sahr Valley and the Ruhr region in the clutch of the Allies, railways in ruin, a great merchant marine driven from the sea, and a reparations commission at the throat of the Empire imposing an export tax on what is left of her mills and mines, what have we now to fear from the wrecked industries of this prostrate State? If such an expedient was not necessary to protect the American market from invasion when Germany was at the summit of her industrial and political power, it is worse than useless now.

It is demonstrated by hearings before the Finance Committee and admitted by the Senator from North Dakota [Mr. MCCUMBER] that there is to-day no threat and no immediate prospect of this dreaded dumping from any country in the world. From whence will it or can it come? What continental country is prepared to supply its own needs, to say nothing of the sale of the necessities of life in markets across the sea? Two-fifths of all the wealth of the world has been obliterated by the ravages of war, has disappeared in fire and smoke. Will the ruined factories of Lille or the dismantled mills of Belgium to-morrow arise like a phœnix from their ashes? Are the gaunt peasantry and artisans of France and Belgium, clad in paper and in rags, now prepared to furnish us with soft woolens and fine linens at less than the market price at home or below the cost of production? Are we to apprehend a horrible inundation of beans and rice, eggs and oil from the Orient, while China, desolate and scourged, sees 20,000,000 of her naked populace perish miserably in the skeleton clutch of famine?

LEGISLATION UNNECESSARY.

Hon. William S. Culbertson, member of the Tariff Commission, in a recent and very admirable work entitled "Commercial Policy in War Time and After," inserts a most instructive chapter on antidumping legislation. He defines three kinds of trade practices properly falling under the head of "dumping," as follows:

(1) The sporadic selling of goods in order to relieve a surplus; that is, the offering of bargain sales in international trade;

(2) A permanent policy of foreign industries of selling in this country a portion of their output at a price below their domestic price in order to keep their factories running full time; and

(3) Unfair price cutting, the object of which is to injure, destroy, or prevent the establishment of an American industry.

The sporadic selling of goods in order to relieve a surplus and a custom of selling a portion of the output at less price in foreign than in domestic markets is almost universally practiced and justified by American industries. This act is ostensibly designed to meet the condition described by Mr. Culbertson "as unfair price cutting, the object of which is to injure, destroy, or prevent the establishment of an American industry." Section 201 of the act provides, among other things:

SEC. 201. (a) That whenever the Secretary of the Treasury * * * finds that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of a class or kind of foreign merchandise * * * sold or is likely to be sold in the United States or elsewhere at less than its fair value, then he shall make such finding public to the extent he deems necessary—

And so forth.

This act by the very terms of this preamble is superfluous and unnecessary. Under the proposed bill the injured party is without remedy or relief. The law as now written prohibits such price cutting or unfair practices and provides liberal compensation to the domestic competitor for all injuries to his business or property resulting from such practices.

Section 801 of an act approved September 8, 1916, entitled "An act to increase the revenue, and for other purposes," provides:

That it shall be unlawful for any person importing or assisting in importing any articles from any foreign country into the United States, commonly and systematically to import, sell, or cause to be imported or sold such articles within the United States at a price substantially less than the actual market value or wholesale price of such articles, at the time of exportation to the United States, in the principal markets of the country of their production, or of other foreign countries to which they are commonly exported, after adding to such charges and expenses necessarily incident to the importation and sale thereof, in the United States: *Provided*, That such act or acts be done with the intent of destroying or injuring an industry in the United States, or of preventing the establishment of an industry in the United States, or of restraining or monopolizing any part of trade and commerce in such articles in the United States.

"Any person who violates or combines or conspires with any other person to violate this section is guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding $5,000 or imprisonment not exceeding one year, or both, in the discretion of the court.

Any person injured in his business or property by reason of any violation of, or combination or conspiracy to violate, this section, may sue therefor in the district court of the United States for the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover threefold the damages sustained, and the cost of the suit, including a reasonable attorney's fee.

Trade between individuals and nations alike is, in its last analysis, a mere matter of barter, each converting the commodity produced by labor or by skill into currency for the purpose of facilitating the exchange of values. Just how is the American producer to be bankrupted by the world's offer to give more of the things he needs, more of the necessities of life for the fruit of his toil than can be obtained under existing conditions? Is the American farmer to be impoverished because Germany insists upon giving more potash for his cattle or his corn than she offers to the domestic producer? Is he to be ruined in his business by receiving too much linen from Belgium or silks from France or fruits from Italy or rice and carpets from the Orient in a like exchange?

It is more than incomprehensible, it is an astounding proposition at this time. You have promised to lower the high cost of living and that means nothing more or less than a promise to lower the price of the things upon which we must live. In most instances the American trusts have refused to do it, and by this act you say no other shall.

PERILS OF PROBABLE RETALIATION.

I shall offer an amendment to this bill providing that its antidumping provisions shall apply only to countries which have enacted similar legislation. The Hon. Henry C. Emery, professor of economics of Yale University and appointed chairman of the United States Tariff Board by President Taft, very pertinently calls the attention of the American public to the imminent danger of retaliation incident to the enactment of such legislation.

What about our own position—

Says he—

in regard to selling surplus products abroad? Do we wish to help start a movement as yet confined to a few sparsely settled colonies (Canada, Australia, etc.), which will become the practice of our leading competitors? What would be the position of our own export trade if all countries should adopt the principle that all goods can not be sold in foreign markets for less than the established price of the domestic market? We are in a peculiar position. In general, our domestic prices are relatively so high that dumping in our market is not so necessary as in other markets. The foreign manufacturer can commonly meet the situation by offering his goods at his regular home prices. On the other hand, prices in foreign markets are so low that the American exporter is largely driven by the sheer force of international competi-

tion to sell his surplus at some reduction. For this reason I believe the movement for an antidumping law may prove dangerous to American exporters.

The whole fabric of protectionism is based upon the assumption that the cost of production is greater at home than abroad. The minimum of protection is as a rule this alleged difference between the cost of producing a given commodity in a foreign country and in this. If it is not true that the standard of wages is higher in this country than abroad and the cost of production greater, then the whole system of protection is admittedly a sophism and an economic lie.

In that event the importer can now enter American markets without reduction in the price of his commodities. The domestic producer, with a higher level of costs and prices, further inflated by the necessary operation of a protective tariff, must sell his surplus abroad at a lower price or he can not sell it at all.

As Prof. Emery has well said:

Prices in foreign markets are so low that the American exporter is largely driven by the sheer force of international competition to sell his surplus at some reduction.

They who advocate such legislation are blind to the signs of the times and the sweeping changes of a few short years. Yesterday a debtor, to-day a creditor Nation; yesterday an importer, to-day the greatest exporter in the world. The entering of foreign markets is of more vital importance than a temporary embargo of our own.

I am indebted to the Hon. Cordell Hull, of Tennessee, for ably compiled statistical information showing that while importing less than four billions of foreign merchandise, we are selling eight billions annually abroad. Our imports of manufactured goods are but a little over four hundred and twenty-five millions per annum while our exports of such manufactures, ready for consumption, are over two billion five hundred millions. Our imports of manufactures for the use of manufacturers are about five hundred and seventy millions, our exports of such manufactures are over nine hundred millions.

To carry this colossal traffic we have builded and are maintaining a great merchant marine and for its successful operation we must have something more than ships; we must have cargoes; we must have foreign as well as domestic markets. In the great channels of international trade there are no empty ships. Let the nations of continental Europe emulate our pernicious example and our foreign commerce is dead, our surplus products without a market and our proud ships left to rot in our ports.

THE EMERGENCY TARIFF.

All tariff legislation necessarily involves the disturbance and disruption of economic conditions. Industries affected by its schedules must be adjusted to it, and it has been hitherto uniformly admitted that such adjustment when made should be as enduring as possible. If this legislation is wise it should be permanent, and if unwise it should not be enacted at all.

It is designed by those who are enacting it not as a boon but as a bait for the farmer, an elusive and temporary relief offered for a few weeks in the vain hope that he may be committed to the pernicious policy of protection, estopped from complaining when inordinate duties are imposed for the benefit of protected industries and inordinate prices demanded by protected monopolies.

FOLLY OF CANADIAN EMBARGO.

The most pernicious thing in this pernicious bill is the attempted embargo upon Canadian commerce.

Prof. Edward Van Dyke Robinson, of the University of Minnesota, has ably demonstrated the consummate folly of erecting an impassable tariff barrier upon the Canadian border:

In spite of tariff barriers—

Says Prof. Robinson—

a vast and constantly increasing commerce is even now carried on across the Canadian boundary, which argues that each country urgently needs many things which the other produces. Reciprocity by removing or lowering these tariff barriers would consequently tend to increase this mutually profitable commerce. Consider for a moment the location and characteristics of the two countries and it must be apparent that they are designated by nature for mutual dependence and benefit. They lie side by side across the continent, a distance of more than 3,000 miles. No natural barrier separates them. Each side of the boundary is found the same race, the same language, the same customs, the same ideals of social and political justice, even the same scale of wages and the same standard of living. However it may be as between Europe and the United States, the investigations of the Tariff Board leave no room for the claim that protection is necessary to equalize differences in wages between the United States and Canada, for between eastern Canada and eastern United States, western Canada and western United States no material difference exists (report 85–86). Each section of Canada, moreover, is by nature merely a portion of a geographic unit, of which the other part lies this side of the boundary. Thus the Maritime Provinces are physiographically a continuation of New England, the St. Lawrence Valley corresponds to the Hudson Valley, the lands bordering the Great Lakes are alike on the north and the south, the prairies of Canada are indistinguishable from the Dakotas, and the Pacific slope in Canada reproduces the soil and climate of Washington. Except for the tariff walls which mark the boundary, commerce would flow back and forth along the lines of least resistance, each physiographic province as a whole producing those commodities for which its advantages are greatest and buying from the others those commodities which they in turn are best fitted to produce, precisely as occurs between the several sections of the United States.

Massachusetts and Pennsylvania, Minnesota and Iowa, Washington and Oregon, have prospered without any tariff wall between them, or, rather, have prospered chiefly because of its absence; why not Canada and the United States? What magic power resides in a mere political boundary, when conditions of life are the same on both sides of it, to render necessary or beneficial an obstruction to commerce which no man will deny would be injurious between the several States of the Union? The truth is that the same spirit and the same range of vision which demand a tariff wall between adjacent States, adjacent counties, adjacent townships, adjacent farms, for all these compete, yet at the same time and in a larger sense cooperate with one another precisely as Canada and the United States compete and cooperate; and what is beneficial in the one case can not prove injurious in the other.

The whole question thus seems to resolve itself to this from the viewpoint of the farmer no less than of society at large: Shall we have the courage to follow established economic principles and extend to a neighboring and closely related country that commercial policy which has long been approved in our own domestic practice, or shall we suffer protection, like conscience, to make cowards of us all?

Developed Canada consists of a narrow band of territory from 200 to 400 miles in width and extending along our northern border for over 3,000 miles. Commerce between the eastern, central, and western Provinces of Canada, separated as they are by lofty mountain ranges and vast stretches of unpeopled wilderness, was for many generations practically impossible. No such barriers existing between these Provinces and the States south of them, the natural course of trade was north and south, the greater advantage accruing to the United States. Her meager manufacturing enterprises confined in the main to the Province of Ontario, inaccessible to the bulk of that vast domain, Canada for half a century vainly knocked at our doors, seeking as a boon the privilege of providing millions of tons of freight for our lake and land carriers, timber and grain for American mills, ores of iron, copper, nickel, and cobalt for American furnaces; hides for American tanneries; and flax and asbestos for American factories.

Purblind protectionism maintained the stubborn barriers in open violation of all the laws of commerce and of common sense, until the Dominion was forced to overcome the almost insurmountable obstacles imposed by nature to the development of her resources, to piece the wilderness, to span estuaries and broad rivers, and surmount the lofty peaks of the Rockies in bringing to her own mills and factories that rich store of raw materials which had been denied admission to our own. For that purpose Canada has constructed three complete transcontinental railway systems—the Canadian Pacific, the Grand Trunk Pacific, and the Canadian Northern—the total trackage of the Dominion amounting in 1916 to 37,000 miles, a per capita mileage twice as great as in the United States and greater than that of any other country in the world except Australia.

Canada is no longer a suppliant at your gates. She no longer begs for the privilege of enriching you. By an enormous outlay of wealth and labor she has diverted the natural course of traffic over more than 3,000 miles of widespread territory and between distant and isolated Provinces. For once an American tariff wall has developed the transportation facilities and manufacturing enterprises of a great country, but it has developed them on the wrong side of the wall. The roads stretch from British Columbia to Quebec and the mills and factories are erected, not in New England but in Ontario.

Canada's refusal to accept the reciprocity agreement of 1911 tendered by the United States has demonstrated the fact that prejudice and a blind worship of the fetish of protection is not confined to this country. Angered by the memory of ancient wrongs and deluded by the sophistry of the industrial interests of Ontario she, too, is capable of the folly of an embargo upon commerce between great countries, whose real interests are reciprocal, rendered mutually beneficial by all the laws of commerce and of nature.

In transporting the Douglas fir, pine, and spruce of British Columbia and the grain of Manitoba, Alberta, and Saskatchewan thousands of miles to the remote Canadian purchaser, with an American market at his very door, involves an enormous loss to the Canadian producer as well as the American manufacturer, and the long and the useless haul imposes an added cost and unnecessary burden upon the consumer of both countries. Nevertheless, Canada has demonstrated her purpose to retaliate, her willingness to join us in cutting off her nose to spite her face. Embargoes will in all probability be followed by embargoes, prohibitive duties by imposts upon exports of wood pulp and print paper, until, by the folly of both, these great and interdependent industrial Edens are as remote as if separated by wide oceans and mountain ranges. When you have utterly

demolished the traffic between these countries, what will be the effect upon the commercial future of the United States? In this effort to exclude a few bushels of grain is it not well to first count the cost?

Your tariff wall will, in the first place, shut in two dollars of exports to Canada for every dollar's worth of her produce entering your own markets.

According to a recent report of your Tariff Commission, the exports from the United States to Canada are now second only to exports to Great Britain, and before the war already had equaled those to Germany. America's sales to Canada are more than twice as great as the combined sales to all the countries of South America. Canadian commerce forms approximately one-eighth of the total international trade of the United States, and about equals in volume that with Japan, China, Russia, the East Indies, and the Philippine Islands combined. The need for imports of foodstuffs and raw materials from Canada has increased with the growth of population; and though the United States buys from Canada hardly more than half as much as she sells, her imports were more than four hundred millions in 1918 and formed almost 15 per cent of the total from all other countries.

I maintain without the fear of successful contradiction that at this time we are in infinitely greater need of Canadian raw materials than of her markets; that we receive a greater benefit from the things we buy than from those we sell; that of the two, the loss of her imports involves a greater injury to American industries and greater hardships to American consumers than even the destruction of our vast export trade to Canada—approximately, at this time, one billion annually.

For the year ending June 30, 1920, we received from Canada unfinished products as follows:

Copper to the value of	$11,953,752
Precious metals (except coin and gold bullion)	11,073,244
Nickel	7,533,437
Asbestos	6,506,629
Lumber and timber	70,807,220
Furs and fur skins	16,594,434
Besides receiving 1,070,830 cords of pulp wood valued at	14,301,694
Wood pulp, 1,113,954,000 barrels, at	58,255,000
Newsprint paper, 1,239,183,470 pounds, at	56,963,745
A total value of	253,989,155

Is work so plentiful and are our industries so overburdened with unfilled orders that our furnaces and smelters no longer demand the metals and ores of Canada; are cutlery, tools, and domestic utensils so abundant that we no longer need her nickel, silver, and copper? Are homes and buildings materials so cheap, or rents so low, as to justify the exclusion of her wealth of lumber and timber?

Consider a prohibitive export duty upon wood pulp and print paper alone. We have spent untold millions on the purchase and protection of vast forest reserves in an earnest effort to preserve our rapidly vanishing timber supply and to conserve the flow of navigable rivers. Forests can be preserved and improved by the scientific cutting of timber for building materials, but the paper mill sweeps the forest as the sickle sweeps the grain. The size of the tree is immaterial. It is all ground into pulp. No other agent has wrought such waste or denuded such areas as the paper mill. What would be the effect upon American forests should Canada, in retaliation place an embargo upon the exportation of wood pulp and print paper? Where else in all the world will you secure 2,000,000,000 pounds of wood pulp? Destroy one-half of the available supply of this invaluable commodity, in the face of the present scarcity, and from whence and at what inordinate cost will school children obtain their books, or the publishers of the country the millions of tons essential to supply the magazines and great metropolitan dailies of America? No other commodity, with the possible exception of building material, iron, and foodstuffs is so absolutely essential to the industrial and intellectual life of America.

It is a source of some surprise that the great manufacturing and industrial enterprises have not more closely and more seriously analyzed the commerce between the two great countries.

Manufactured exports from Canada, consisting principally of iron and steel products, machinery, and agricultural implements, amounted in 1920 to $34,112,228.

On the other hand, we exported to Canada iron, steel manufactures, rolling-mill products, machinery, vehicles, engines, and agricultural implements a total of $140,[illegible]38.

The total of American imports for 1920, according to figures prepared by the Department of Commerce, totaled $464,029,014, and our exports for the same time reached a grand total of $800,632,849. I ask leave to incorporate these tables with my remarks as Exhibit A.

The VICE PRESIDENT. Without objection, the tables will be incorporated in the RECORD.

The tables are as follows:

CANADA (A).—*Trade with the United States during the 27 months ending June 30, 1920. (Compiled by the Research Division of the Bureau of Foreign and Domestic Commerce, Department of Commerce, from official Canadian reports.)*

IMPORTS FOR CONSUMPTION.

	Year ending 1919.	Mar. 31, 1920.	Apr.-June, 1920.
Iron and steel, and manufactures of	$177,771,146	$182,178,251	$62,380,613
Rolling-mill products	50,888,125	41,705,392	15,427,330
Machinery	29,742,889	37,282,659	9,957,962
Vehicles	17,650,234	31,786,952	11,092,988
Boilers, engines, windmills, pumps	25,738,608	22,705,319	9,218,867
Agricultural implements	8,903,930	6,792,245	2,638,086
Coal	70,600,491	60,070,051	15,678,688
Cotton and manufactures of	59,148,319	68,219,372	21,441,663
Cotton, raw	34,004,891	33,854,459	9,973,553
Manufactures of cotton	25,143,428	34,364,915	11,468,110
Chemicals and allied products	31,873,661	28,999,796	7,718,034
Petroleum and its products	31,511,604	28,525,941	9,219,398
Crude petroleum for refining	13,661,429	12,753,761	4,132,671
Fruits, fresh and dried	20,211,707	28,660,208	6,174,445
Fruits, fresh	14,728,228	19,077,838	5,504,695
Fruits, dried	5,483,479	9,582,370	669,750
Wood and manufactures of	18,270,072	21,927,536	6,593,591
Lumber and timber	13,289,775	14,433,192	4,477,044
Manufactures of wood	4,980,297	7,494,344	2,116,547
Paper and manufactures of	15,951,746	19,237,641	5,404,614
Books and printed matter	7,502,261	9,892,516	2,444,809
All other	8,449,485	9,345,125	2,959,805
Corn	16,060,282	14,215,787	2,819,429
Tobacco, unmanufactured	10,325,820	12,787,163	3,697,528
Electric and gas apparatus	8,234,562	10,780,775	4,499,823
Total imports	750,203,024	801,632,849	221,465,675

EXPORTS OF CANADIAN PRODUCE.

Wood and manufactures of	$88,544,539	$102,980,859	$36,385,820
Lumber and timber	57,366,207	70,807,229	22,381,774
Wood pulp—			
Chemical	26,256,265	25,550,882	11,027,121
Mechanical	4,418,555	5,765,871	2,710,857
Paper (except printed matter)	38,621,265	50,367,339	15,463,388
Cattle	29,857,668	44,021,587	1,043,125
Chemicals and allied products	68,408,028	21,129,706	2,672,498
Cartridges	37,855,417	7,016,804	
Explosives	19,289,483	4,070,595	294,854
Iron and steel	25,888,731	26,699,530	6,690,983
Machinery	5,403,742	4,229,620	468,093
Agricultural implements	272,927	3,283,078	1,847,504
Copper	20,130,583	11,953,752	2,511,760
Fish and shellfish	17,600,764	17,180,250	3,266,591
Hides and skins	7,651,052	19,738,005	1,535,259
Furs and fur skins	9,743,464	16,594,534	2,428,998
Wheat	4,203,920	14,000,932	285,837
Precious metals (except coins and gold bullion)	17,117,730	11,073,244	1,739,983
Meats	8,916,737	8,479,065	2,554,817
Nickel	8,476,111	7,533,437	2,056,681
Asbestos	6,890,724	6,506,629	2,159,368
Oats	7,360,011	3,300,477	3,846,389
Potatoes	1,643,855	6,819,405	6,528,612
Linseed	6,323,484	4,714,919	120,132
Total domestic exports	454,873,170	464,029,014	113,133,027
Total foreign exports	22,822,489	37,099,354	6,388,393

Mr. STANLEY. It is claimed that in the face of a sudden emergency the farmer must have instant relief from an inundation of agricultural products from Canada, and that the American consumer is to be impoverished by an excess of cheap foodstuffs from the Dominion. Those who make this claim are ignorant of the nature of this commerce, or forget that our exports of agricultural products to Canada vastly exceed our imports.

In 1920 we shipped to Canada 1,211,831 boxes of oranges, valued at $6,066,962; 13,902,863 pounds of prunes, valued at $1,997,914; and 26,831,775 pounds of raisins, valued at $4,890,294. Other fruits, fresh and dried, shipped to Canada in 1920, amounted to $21,065,619.

For the same period we shipped 10,454,931 pounds of cotton and manufactures thereof, valued at $34,636,310; oil cake and oil-cake meal valued at $6,606,854; our exports of tobacco were valued at $9,310,976; our tobacco imports for the same period amounting to $65,878. We exported onions to the value of $465,826, our imports for the same period being $7,389.

Our total exports of the articles enumerated above amounted to $85,114,545, and our imports to $73,267, giving the American agriculturist a balance of $84,967,488.

I ask leave to insert at the conclusion of my remarks tables containing a complete and exhaustive summary of the interchange of agricultural products between the United States and Canada, from 1910 to 1920, inclusive, covering the exportation and importation of seeds, corn, grain, flour, vegetables, fruits, fresh and dried, cotton and wool, cattle and hogs, fresh and cured meats, and so forth. For the year 1920 this summary shows an excess of exports over imports of $62,967,488, and now this half-baked and so-called emergency bill proposes to relieve the farmers and gardeners of the United States by the instant and utter demolition of this splendid balance in their favor.

The VICE PRESIDENT. Without objection, the tables referred to will be printed at the conclusion of the Senator's remarks.

CANADIAN WHEAT.

Mr. STANLEY. The fear of the dumping of Canadian wheat upon the American market is the only reason yet assigned or assignable for this embargo upon Canadian commerce. Canada never has and she never can dump any material portion of her grain upon the American market, and if she did it could not appreciably affect the price in this country. The price of wheat in Canada, as in the United States, is necessarily determined by the price of the surplus from each country; and this surplus being sold in the same market and under practically identical conditions, it is a matter of small importance whether it is shipped from Montreal or Chicago. In each case, broadly speaking, it must necessarily bring the Liverpool price, less the cost of transportation.

A study of the ebb and flow of grain across the Canadian border shows that its movement is determined by freight rates or other local conditions rather than by any marked or permanent difference in the price level of the two countries, and that on the whole there is no material difference between exports and imports.

From 1910 to 1920, inclusive, Canada exported to the United States 38,468,248 bushels of wheat. During the same period she imported from us 50,406,748 bushels of wheat, leaving a net excess for the 10-year period of 8,061,503 bushels. In other words, during this period Canada on the average "dumped" annually into the United States a net excess of about 800,000 bushels. Just how 800,000 bushels, or 8,000,000 bushels, could disturb the general level of prices on six or seven hundred million bushels of American wheat is inconceivable. I ask leave to include in my remarks in the RECORD a table showing the movement of wheat.

The VICE PRESIDENT. Without objection, it will be included in the RECORD.

The matter referred to is as follows:

(B.)—*Exports from the United States to Canada and imports into the United States from Canada of wheat.*

[(+) Excess of exports over imports; (−) excess of imports over exports.]

Wheat.		Exports.	Imports.	Trade balance.	July 1, 1909, to Nov. 30, 1920.
Fiscal year 1910	bushels	2,111,370	152,383	+ 1,958,987	(+)
	dollars	2,317,191	135,441		1,958,987
Fiscal year 1911	bushels	1,256,783	502,829	+ 753,954	753,954
	dollars	1,242,707	467,282		87,550
Fiscal year 1912	bushels	537,240	2,673,050	− 2,135,810	2,223,050
	dollars	459,194	2,186,685		19,293,811
Fiscal year 1913	bushels	851,139	763,589	+ 87,550	571,649
	dollars	829,447	530,905		25,517,744
Fiscal year 1914	bushels	4,124,701	1,891,651	+ 2,223,050	
	dollars	3,831,719	1,682,654		50,406,745
Fiscal year 1915	bushels	19,664,674	370,863	+19,293,811	
	dollars	19,941,358	420,372		(−)
Fiscal year 1916	bushels	6,244,732	5,673,083	+ 571,649	2,135,810
	dollars	7,430,824	5,766,227		19,000,457
Fiscal year 1917	bushels	4,714,836	23,715,293	−19,000,457	24,437,565
	dollars	9,856,529	41,374,943		3,923,662
Fiscal year 1918	bushels	252,540	24,690,105	−24,437,565	8,970,754
	dollars	577,965	51,820,536		
Six months, 1918, July–December	bushels	26,478,814	961,070	+25,517,744	58,468,248
	dollars	61,430,715	1,962,245		
Calendar year 1919	bushels	1,421,613	5,345,275	− 3,923,662	[1] 8,061,503
	dollars	3,314,818	11,293,079		
Eleven months ending Nov. 30, 1920	bushels	14,500,945	23,771,699	− 8,970,754	
	dollars	41,262,739	53,795,252		

[1] Net excess of imports over exports in bushels.

Mr. STANLEY. This duty of 35 cents per bushel is imposed for the double purpose of stopping the Canadian influx of grain and of increasing by that amount the market price of American wheat. If the impossible should happen and American wheat should advance as a result of this tariff 35 cents a bushel over the Canadian product, it would not stop the shipment of a single grain, for the simple reason that the shipper having paid the import duty would immediately recover it in the higher price paid in the American market.

We have just exported a surplus of 210,000,000 bushels of wheat. If this tariff raises the price of this commodity by 35 cents a bushel, no producer will ship any part of it abroad to be sold in a lower and an unprotected market, and in order to maintain this artificially created price level, every man, woman, and child in the United States will be compelled to consume at the higher price approximately one-half barrel of flour more next year than this. Unless this does occur, the unsold surplus in the United States will necessarily depress the price to the level of the Canadian and Liverpool markets, tariff or no tariff.

The truth is that wheat imported from Canada has been sent to mill rather than to market. The great mills in Duluth and Minneapolis produce a finer grade of flour by mixing the hard wheats of Canada with the softer grain raised in the States. Minneapolis mills between September 1, 1918, and August 31, 1919, received 75,000,000 bushels of grain, producing 16,554,000 barrels of flour and 1,224,000,000 pounds of feedstuff.

Let us assume that during the ensuing year Canada should ship into the United States 50,000,000 bushels of grain. It would not affect the price of the commodity one cent on the bushel.

It seems that only those industries which walk upon crutches can command the aid or the sympathy of the protectionist. These mills are importing wheat and exporting flour with the result that more than half a million tons of invaluable feedstuffs, made in considerable part from Canadian wheat, are available for the American producer of cattle and hogs and for the American dairyman. If 50,000,000 bushels annually of Canadian wheat should be imported into the United States, ground in American mills by American labor, millions of tons of this rich animal feed could be offered to the stock raiser. Is the stock raiser producing beef and pork or the dairyman milk and butter so cheaply that we must by legislation deprive him of the product of these great mills upon which he now depends for the maintenance of his herds and dairies?

CONDEMNED BY TARIFF COMMISSION.

For a decade the Republican Party has boasted that it was the creator and preserver of that sacred institution, the Tariff Commission. Again and again, in platform declarations, you have solemnly pledged the American people that you would take this issue out of politics, that you would not attempt to change schedules vitally affecting the revenues and the industries of the Nation without first calling into your councils staid and dispassionate philosophers and learned political economists far removed from the bias and personal ambition of the mere politician. Has the Tariff Commission been consulted about this iniquitous thing? I challenge you to find on or off the Tariff Commission any political economist, still preserving his intellectual integrity and professional self-respect, who will vouch for this naked piece of political demagogy, this transparent sham.

In their platforms of 1912 reactionaries and progressives alike pledged their allegiance to a tariff commission, the regulars declaring:

> To accomplish this (tariff revision) correct information is indispensable. This information can best be obtained by an expert commission. * * * To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The Republican Party has shown by its creation of the tariff board its recognition of this situation and its determination to be equal to it.

The progressives were even more emphatic:

> We pledge ourselves to the establishment of a nonpartisan scientific tariff commission, reporting both to the President and to either branch of Congress. * * * We believe that this commission should have plenary power to elicit information, and for this purpose to prescribe a uniform system of accounting for the great protected industries.

In 1916 a reunited Republicanism repeated the pledges:

> We favor the creation of a tariff commission with complete power to gather and compile information for the use of Congress in all matters relating to the tariff.

The United States Tariff Commission has compiled two volumes containing more than 200 pages on the one subject of this proposed embargo upon Canadian grain, graphically presenting to this Congress the manifest advantage to the milling interests of America of an untrammeled opportunity to avail themselves of the hard Canadian wheat that, while fostering the cattle-producing and dairy interests, they may give to the consumer the staff of life of a better quality and at a lower cost.

This free movement of wheat—

Says the commission—

between the United States and Canada, making the North American crop a common source of supply, has certain demonstrable advantages. * * * American elevators, distributing interests, and rail and ocean lines enjoy the benefits accruing from this larger volume of traffic; domestic mills, which had been losing ground to Canada in the export flour trade, are able to meet this competition through importing Canadian wheat for blending and milling; a larger volume of mill feed is available to the dairy industry, which consumes more mill feed than is yielded as a by-product of domestic flour consumption.

Your own commission has pitilessly exposed the transparent folly of attempting to enhance the price of six or seven hundred million bushels of American wheat by excluding a few thousand carloads of Canadian grain from a Minneapolis mill.

Aside—

Says this report—

from the question of price levels, however, it may be said with some certainty that inasmuch as the United States is on an exporting basis any wheat that is imported from Canada (aside from the question of special cases to meet special needs) released an equal amount of American wheat for export. This being true, it is not a matter of great importance whether the Canadian wheat reaches Europe directly or indirectly through the United States either in the form of flour or by releasing similar American wheat. Indeed, if we may assume that the European demand is controlling our market, as it does in normal times when we are on an exporting basis, there is a possibility that if the Canadian wheat has been thrown on the English market before the close of Lake navigation, instead of filtering slowly through the United States, the world price level, and therefore our own market, would have been depressed more than it was in the fall of 1[illegible]. From this point of view it seems fortunate for American producers that there was a buffer between the great Canadian surplus and the Liverpool market.

If this country were on a net importing basis, the prices obviously would be depressed by the imports from Canada. Even at a time when heavy exports are going out of the country the relatively small imports probably do not alter the general rule that it is of no great importance to the American producer whether Canadian wheat reaches the European markets directly or indirectly through the United States. To the Canadian grower, however, access to the great American markets, to the mills, and to the shipping facilities south of the border is obviously a factor of substantial importance.

I am not surprised that the authors of this measure have submitted it to the consideration of the Senate in silence, if not in shame. The more discerning, I fancy, even now catch a glimmer of the handwriting on the wall. I assure the Senators upon the other side of the Chamber that, as a partisan, I can rejoice that you make this nostrum of protection a panacea for all the ills of the farm and factory and that you dare not put it to this practical and acid test. The farmer will be enlightened, not deluded, by the object lesson. Find he will, as find he must, that the value of these great, great staples whose sale is found and whose price is fixed in the open and competitive markets of the world is not dependent upon a tariff schedule. The tobacco grower in Kentucky and Tennessee, in Virginia and the Carolinas, herdsmen from Texas to Montana, the planter in the corn belt of Illinois, and the wheat grower on the Dakota prairies will learn, and shortly, too, that they are as little affected by the bogus schedules of this bill as by the precession of the equinox or the movement of the stars.

This act will demonstrate that protectionism—in the hands of trusts and monopolies the most facile instrument of extortion yet devised by the wit of man—is utterly impotent when applied to the cotton and cattle, the corn and grain of the American producer. It will demonstrate that while it can despoil, it can not defend; while it can plunder, it can not protect him.

The dupes of this doctrine in agricultural States will awaken to-morrow sadder and wiser men, and peradventure they will survey with a broader and keener vision the operations of these same gentlemen when they meet a few months hence to apportion, not for 6 months but for 60 years, if need be, to special interests and pampered monopolies those rewards which their political activities may have deserved or your political obligations may demand.

APPENDIXES C AND D.

Imports into United States from Canada and exports from United States to Canada (if specified commodities in United States trade with Canada).

[(+) Excess of exports over imports; (—) excess of imports over exports.]

	Fiscal year 1910.			Fiscal year 1911.			Fiscal year 1912.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Wheat:									
Bushels	2,111,379	[illegible]83	+ 1,958,987	1,256,783	502,829	+ 753,954	537,240	2,673,050	— 2,135,810
Value	$2,317,191	[illegible]41		$1,242,707	$467,252		$489,194	$2,186,685	
Wheat flour:									
Barrels	49,981	[illegible]30	— 93,349	42,947	141,405	— 98,458	99,760	158,286	— 58,526
Value	$235,866	[illegible]66		$189,490	$624,373		$419,033	$661,758	
Rye:									
Bushels	1,081			1,192			5,494		
Value	$1,414			$1,079			$4,769		
Rye flour:									
Barrels	2,346			4,289			3,485		
Value	$8,629			$15,676			$13,010		
Corn:									
Bushels	6,178,896			13,409,580			9,568,574	11,077	+ 9,557,497
Value	$4,048,006			$7,289,843			$6,568,671	$12,824	
Cattle:									
Number	30,283	[illegible]74	+ 4,709	7,890	3,043	+ 4,847	6,785	1,350	+ 5,355
Value	$328,274	[illegible]38		$257,934	$136,359		$244,918	$86,371	
Flaxseed:									
Bushels	344	[illegible]398	— 1,410,054	656	2,251,083	— 2,250,427	4,009	3,510,883	— 3,506,874
Value	$740	[illegible]56		$1,721	$5,178,291		$11,263	$8,608,312	
Eggs:									
Dozens	868,454	[illegible]10	+ 828,644	2,457,188	35,272	+ 2,421,916	8,697,568	25,817	+ 8,671,751
Value	$202,344	[illegible]96		$474,350	$15,052		$1,932,975	$15,078	
Wool:									
Pounds	14,897	[illegible]925	— 1,897,028		1,214,661	— 1,214,661		637,128	— 637,128
Value	$1,421	[illegible]89			$288,308			$151,568	
Potatoes:									
Bushels	207,764	[illegible]38	+ 110,626	335,724	23,832	+ 311,892	256,373	143,059	+ 113,314
Value	$146,727	[illegible]70		$244,997	$10,238		$339,318	$128,076	
Meats and fresh beef:									
Pounds	136,389			247,598			585,222		
Value	$13,148			$25,777			$79,769		
Fresh mutton:									
Pounds	780,761			991,480			2,077,535		
Value	$80,300			$96,772			$188,734		
Fresh pork:									
Pounds	77,713			206,550			890,926		
Value	$8,931			$24,745			$95,687		
Bacon and hams:									
Pounds	4,395,632			4,609,598			9,623,877		
Value	$717,535			$778,182			$1,387,864		
Total meats, pounds	5,390,493			6,055,226			13,177,560		
Fruits, fresh and dried:									
Apples, dried—									
Pounds	104,585			266,792			281,296		
Value	$8,722			$22,985			$27,680		
Apples, green or ripe—									
Barrels	68,929			155,081			206,857		
Value	$279,290			$502,959			$736,015		
Apricots, dried—									
Pounds	1,134,547			1,155,007			902,045		
Value	$102,063			$111,381			$113,571		

Imports into United States from Canada and exports from United States to Canada, etc.—Continued.

	Fiscal year 1910.			Fiscal year 1911.			Fiscal year 1912.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Fruits, fresh and dried—Continued.									
Bananas—									
Bunches		2,047			9,626			10,209	
Value		$2,048			$7,660			$6,936	
Berries, value									
Currants—									
Pounds		81			300			385	
Value		$7			$26			$46	
Dates—									
Pounds		4,988			154,051			10,921	
Value		$365			$7,370			$461	
Figs—									
Pounds		43,079			21,353			8,300	
Value		$1,724			$703			$655	
Grapes—									
Cubic feet		3,473			3,974			3,319	
Value		$2,802			$5,022			$3,381	
Lemons, value		$3,479			$5,176			$3,883	
Olives—									
Gallons		163			2,430			2,900	
Value		$163			$1,257			$1,877	
Oranges—									
Boxes	801,260			1,132,760			1,152,866		
Value	$2,047,477	$1,545		$2,831,527	$3,094		$2,877,665	$383	
Peaches, dried—									
Pounds	1,913,922			3,141,006			2,021,375		
Value	$101,689			$203,024			$132,247		
Pears, green or ripe, value	$121,199			$163,083			$234,514		
Prunes, dried—									
Pounds	10,553,094			8,837,132			13,503,157		
Value	$415,668			$476,826			$850,810		
Raisins—									
Pounds	6,086,327	311		11,001,209	686		11,850,394	3,613	
Value	$279,709	$17		$592,405	$42		$774,809	$320	
All other, except preserved, value	$1,278,451	$246,574		$1,644,254	$133,210		$2,315,693	$155,417	
Total fruits, value	$4,634,268	$258,724	+ $4,375,544	$6,548,444	$163,560	+ $6,384,884	$8,113,004	$173,359	+ $7,939,645
Cotton, unmanufactured:									
Sea Island—									
Pounds				175,838			143,151		
Value				$50,727			$34,418		
Upland and other—									
Pounds	62,796,152			78,236,198			90,689,048		
Value	$8,936,006			$11,387,372			$9,167,671		
Total—									
Pounds	62,796,152	46,422	+ 62,749,730	78,412,036	771,316	+ 77,640,720	90,832,199	174,845	+ 90,657,354
Value	$8,936,006	$10,301	+ $8,925,705	$11,438,099	$122,326	+$11,315,773	$9,202,089	$21,387	+ $9,180,702
Oil cake and oil-cake meal:									
Corn—									
Pounds	62,010						56,448		
Value	$938						$596		
Cotton seed—									
Cake—									
Pounds	2,535,150			3,196,582			6,138,200		
Value	$36,698			$45,568			$85,222		
Meal—									
Pounds									
Value									
Linseed or flaxseed—									
Cake—									
Pounds	929,925			355,060			1,688,318		
Value	$12,914			$4,790			$26,323		
Meal—									
Pounds									
Value									
All other—									
Pounds							11,220		
Value							$118		
Total (import figures do not include meal):									
Pounds	3,527,085	77,808	+ 3,449,277	3,551,642	77,600	+ 3,474,042	7,894,186	669,990	+ 7,224,196
Value	$50,550	$971	+ $49,579	$50,358	$947	+ $49,411	$112,559	$10,011	+ $102,548
Sugar:									
Cane—									
Pounds		25,719			1,440			3,850,446	
Value		$575			$97			$114,505	
Total—									
Pounds	247,104	25,719	+ 221,385	408,283	1,440	+ 406,843	431,066	3,850,446	— 3,419,380
Value	$9,797	$575	+ $9,222	$19,213	$97	+ $19,116	$32,011	$114,505	— $82,494
Tobacco:									
Leaf, suitable for cigar wrappers—									
Pounds		140,196			63,195			42,559	
Value		$141,266			$66,909			$72,211	
Other leaf—									
Pounds		318,561			99,307			72,301	
Value		$110,576			$45,904			$42,307	
Total leaf—									
Pounds	13,201,474	458,757	+ 12,742,717	13,454,063	162,502	+ 13,291,561	15,035,925	114,560	+ 14,951,065
Value	$1,878,087	$251,842	+ $1,626,245	$1,854,707	$112,813	+ $1,741,894	$2,335,466	$114,518	+ $2,220,948
Stems and trimmings—									
Pounds					31,460				
Value					$68				
Cigars and cheroots—									
Thousands	139			138			108		
Pounds		6			32			9	
Value	$6,448	$24		$6,478	$62		$5,150	$21	

Imports into United States from Canada and exports from United States to Canada, etc.—Continued.

	Fiscal year 1910.			Fiscal year 1911.			Fiscal year 1912.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Tobacco—Continued.									
Cigarettes—									
Thousands	467			856			1,107		
Pounds								50	
Value	$1,751			$4,319			$4,425	$270	
Plug—									
Pounds	151,907			208,641			216,017		
Value	$60,848			$83,156			$92,766		
Smoking—									
Pounds	87,358			88,348			115,590		
Value	$33,179			$46,076			$58,927		
All other, value	$24,555	$4,662		$15,251	$4,258		$13,392	$2,971	
Total, value	$2,004,868	$256,328	+ $1,748,040	$2,010,027	$117,201	+ $1,892,826	$2,627,827	$117,280	+ $2,510,047
Onions:									
Bushels	102,390	2,439	+ 99,951	94,560	633	+ 93,927	180,817	2,118	+ 178,699
Value	$68,761	$3,404	+ $65,357	$87,475	$792	+ $86,683	$154,129	$3,509	+ $150,620
Paper (newsprint):									
Pounds	9,613,655	86,767,027	− 77,152,342	5,986,272	106,215,212	−100,228,940	9,273,444	111,125,436	− 101,851,992
Value	$433,709	$1,564,100	− $1,181,391	$139,975	$1,968,385	− $1,828,410	$196,172	$2,101,023	− $1,904,851
Pulp wood:									
Cords		140,542			869,955			901,270	
Value		$6,[illegible]023			$5,565,273			$5,534,928	
Wood pulp:									
Tons	1,355	184,088	− 182,733	1,357	257,580	− 256,223	1,750	209,320	− 207,570
Value	$49,290	$4,224,500	− $4,175,210	$47,422	$5,352,316	− $5,304,894	$54,878	$4,753,080	− $4,698,202

	Fiscal year 1913.			Fiscal year 1914.			Fiscal year 1915.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Wheat:									
Bushels	851,139	[illegible],589	+ 87,550	4,124,701	1,891,651	+ 2,233,050	19,664,674	370,863	+ 19,293,811
Value	$829,447	[illegible],805		$3,831,719	$1,682,654		$19,941,383	$420,372	
Wheat flour:									
Barrels	98,665	[illegible],527	− 7,862	122,752	68,911	+ 33,841	110,938	62,494	+ 48,444
Value	$450,104	[illegible]993		$539,942	$356,316		$592,011	$302,141	
Rye:									
Bushels	85,596			66,997			47,261		
Value	$60,190			$45,566			$44,953		
Rye flour:									
Barrels	4,298			6,835			6,189		
Value	$16,763			$24,792			$30,037		
Corn:									
Bushels	8,097,882	1,[illegible]828	+ 8,095,054	4,641,737	15,990	+ 4,625,847	8,238,156	155,418	+ 8,082,738
Value	$4,766,805	$1,[illegible]122		$3,328,785	$13,552		$6,154,904	$115,246	
Cattle:									
Number	11,691	[illegible],186	− 17,495	8,957	241,331	− 232,374	751	191,540	− 190,789
Value	$391,644	$[illegible]501		$330,005	$8,697,137		$48,854	$9,285,277	
Flaxseed:									
Bushels	69	[illegible],816	− 4,732,247		5,647,168	− 8,647,168	1,169	6,629,860	− 6,628,691
Value	$119	$[illegible],947			$10,561,662		$2,444	$8,843,489	
Eggs:									
Dozens	12,856,690	[illegible],394	+ 12,839,796	9,064,948	356,962	+ 8,707,986	6,116,988	735,625	+ 5,381,363
Value	$2,746,091	$[illegible],837		$2,215,958	$84,876		$1,393,863	$168,714	
Wool:									
Pounds		[illegible],735	− 311,735	38	4,857,660	− 4,857,622	1,787,973	7,565,072	− 5,777,099
Value		$[illegible]96		$7	$1,110,324		$573,329	$1,723,921	
Potatoes:									
Bushels	372,656	[illegible],693	+ 253,163	396,870	1,025,536	− 628,666	488,567	82,431	+ 406,136
Value	$333,455	$[illegible],996		$297,002	$459,782		$381,777	$27,863	
Meats and fresh beef:									
Pounds	640,078			253,781	15,919,799	− 15,666,018	545,356	15,305,264	− 14,759,908
Value	$98,061			$39,336	$1,368,113		$66,528	$1,575,633	
Fresh mutton:									
Pounds	4,198,979			3,911,675	112,804	+ 3,798,871	2,545,320	479,522	+ 2,065,798
Value	$472,039			$432,012	$14,433		$298,713	$63,672	
Fresh pork:									
Pounds	580,329			232,068	4,602,415	− 4,370,347	46,144	16,181,702	− 16,135,558
Value	$69,542			$27,313	$537,928		$4,483	$2,003,588	
Bacon and hams:									
Pounds	13,653,957			15,089,579	1,314,093	+ 13,775,486	11,539,844	7,234,262	+ 4,305,582
Value	$2,053,363			$2,317,243	$211,115		$1,582,878	$1,055,629	
Total meats, pounds	19,073,343			19,487,103	21,949,111	− 2,462,008	14,676,664	39,200,750	− 24,524,086
Fruits, fresh and dried:									
Apples, dried—									
Pounds	360,318			211,452			250,834		
Value	$21,339			$15,193			$18,070		
Apples, green or ripe—									
Barrels	376,951			299,347			318,840		
Value	$913,506			$1,040,413			$738,825		
Apricots, dried—									
Pounds	1,440,065			955,861			1,428,725		
Value	$128,199			$106,313			$119,589		
Bananas—									
Bunches		4,[illegible]98			1,993			2,611	
Value		$1,[illegible]11			$2,035			$2,459	
Berries, value	$554,315			$688,244			$510,564		
Currants—									
Pounds		989			119			97	
Value		$99			$10			$9	
Dates—									
Pounds		40,969			1,296			15,630	
Value		$2,017			$36			$899	
Figs—									
Pounds		103			11,722			13,711	
Value		$5			$439			$1,689	

Imports into United States from Canada and exports from United States to Canada, etc.—Continued.

	Fiscal year 1913.			Fiscal year 1914.			Fiscal year 1915.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Fruits, fresh and dried—Continued.									
Grapes—									
Cubic feet		4,256			513			340	
Value		$4,214			$721			$904	
Lemons, value	$339,968	$22,431		$279,953	$23,610		$292,092	$2,937	
Olives—									
Gallons		3,121			3,331			1,402	
Value		$1,846			$2,161			$1,012	
Oranges—									
Boxes	1,017,545			1,491,539			1,682,824		
Value	$2,837,507	$1,538		$3,611,563	$139		$3,643,152	$221	
Peaches, dried—									
Pounds	2,365,345			2,505,201			2,243,733		
Value	$132,850			$128,790			$101,526		
Pears, green or ripe, value	$253,288			$352,515			$258,902		
Prunes, dried—									
Pounds	10,956,827			12,757,585			9,321,355		
Value	$483,566			$597,718			$562,102		
Raisins—									
Pounds	18,082,522	147		10,871,150	665		15,439,231	77,357	
Value	$569,596	$13		$683,326	$87		$1,017,375	$5,078	
All other, except preserved, value	$1,742,959	$146,495		$1,984,080	$171,716		$1,615,987	$173,563	
Total fruits, value	$8,330,143	$182,769	+ $8,147,374	$9,588,108	$200,960	+ $9,387,148	$8,881,154	$189,761	+ $8,691,393
Cotton, unmanufactured:									
Sea island—									
Pounds	54,797			441,956			854,465		
Value	$14,160			$97,620			$169,139		
Upland and other—									
Pounds	75,952,419			75,054,383			86,609,761		
Value	$8,975,431			$9,497,485			$7,416,912		
Linters—									
Pounds							3,930,856		
Value							$120,497		
Total:									
Pounds	76,007,216	1,261	+ 76,005,955	75,496,339		+ 75,496,339	91,385,082	2,400	+ 91,382,682
Value	$8,989,591	$203	+ $8,989,388	$9,595,105		+ $9,595,105	$7,706,548	$277	+ $7,705,471
Oil cake and oil-cake meal:									
Corn—									
Pounds	935,000								
Value	$14,561								
Cotton seed—									
Cake—									
Pounds	7,590,495			6,772,300			574,060		
Value	$112,309			$98,921			$7,158		
Meal—									
Pounds							22,268,838		
Value							$305,775		
Linseed or flaxseed—									
Cake—									
Pounds	812,996			584,455			545,460		
Value	$11,888			$9,180			$8,808		
Meal—									
Pounds									
Value									
All other—									
Pounds	587,370			760,030			849,280		
Value	$9,053			$11,299			$11,616		
Total (import figures do not include meal):									
Pounds	9,925,851	956,037	+ 8,969,824	8,116,785	2,390,180	+ 5,726,605	24,237,578	840,687	+ 23,396,891
Value	$147,816	$12,987	+ $134,829	$119,400	$22,940	+ $96,460	$332,857	$13,165	+ $319,692
Sugar:									
Beet—									
Pounds		472,498			1,010			9,811	
Value		$10,395			$71			$531	
Cane—									
Pounds		2,167			4,970			73,649	
Value		$50			$242			$3,876	
Total:									
Pounds	499,983	474,665	+ 15,318	419,353	6,010	+ 413,343	989,365	83,460	+ 905,905
Value	$21,797	$10,445	+ $11,352	$23,527	$313	+ $23,214	$53,698	$4,427	+ $49,271
Tobacco:									
Leaf, suitable for cigar wrappers—									
Pounds		18,888			24,372			81,206	
Value		$20,745			$20,999			$75,192	
Other leaf—									
Pounds		120,646			81,888			83,276	
Value		$83,565			$59,958			$26,626	
Total leaf—									
Pounds	16,307,480	139,532	+ 16,167,948	17,088,562	106,260	+ 17,582,302	16,156,268	164,482	+ 15,991,785
Value	$2,709,030	$104,310	+ $2,604,720	$2,953,817	$80,957	+ $2,872,860	$2,658,563	$101,818	+ $2,556,745
Stems and trimmings—									
Pounds	2,000	363,786			32,926				
Value	$60	$4,540			$315				
Cigars and cheroots—									
Thousands	138			90			41		
Pounds		11			16			14	
Value	$4,301	$41		$3,381	$54		$1,097	$50	
Cigarettes—									
Thousands	1,462			1,211			129		
Pounds		67			63			15	
Value	$5,029	$374		$4,392	$124		$710	$72	

Imports into United States from Canada and exports from United States to Canada, etc.—Continued.

	Fiscal year 1913.			Fiscal year 1914.			Fiscal year 1915.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Tobacco—Continued.									
Plug—									
Pounds	171,994			162,002			129,006		
Value	$74,892			$70,491			$54,810		
Smoking—									
Pounds	231,213			236,492			192,832		
Value	$117,756			$131,010			$108,557		
All other, value	$22,291	$2,159		$16,330	$2,308		$11,472	$2,698	
Total, value	$2,933,359	$111,424	+ $2,821,935	$3,179,421	$83,758	+ $3,095,663	$2,835,219	$104,638	+ $2,730,581
Onions:									
Bushels	297,881	810	+ 297,071	218,323	1,025	+ 217,298	352,823	4,013	+ 348,810
Value	$163,039	$901	+ $162,138	$245,994	$1,982	+ $244,012	$231,182	$3,883	+ $227,299
Paper (newsprint):									
Pounds	8,165,877	493,466,860	−285,300,983	7,544,600	549,684,170	−542,139,570	493,919	638,627,818	− 638,133,899
Value	$167,359	$5,646,289	− $5,478,930	$151,783	$10,634,926	−$10,483,143	$11,673	$12,742,743	− $12,731,070
Pulp wood:									
Cords		3,035,890			1,073,023			955,686	
Value		$80,354,939			$7,245,466			$6,572,839	
Wood pulp:									
Tons	9,083	207,088	− 198,005	3,195	234,041	− 230,846	2,727	294,936	− 292,209
Value	$309,845	$4,973,061	− $4,663,215	$103,466	$5,908,517	− $5,805,051	$107,368	$7,583,051	− $7,475,713

	Fiscal year 1916.			Fiscal year 1917.			Fiscal year 1918.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Wheat:									
Bushels	6,244,732	5,673,083	+ 571,649	4,714,836	23,715,293	− 19,000,457	252,540	24,690,105	− 24,437,565
Value	$7,430,824	$5,766,227		$9,856,529	$41,374,943		$577,965	$51,820,536	
Wheat flour:									
Barrels	50,424	329,577	− 279,153	77,115	174,426	− 97,311	83,334	455,175	− 371,841
Value	$254,717	$1,586,417		$580,326	$1,455,029		$884,042	$4,864,032	
Rye:									
Bushels	139,711			1,129,469			5,275		
Value	$137,541			$1,605,223			$12,644		
Rye flour:									
Barrels	4,167			3,207			2,892		
Value	$20,135			$19,546			$30,145		
Corn:									
Bushels	6,568,407	16,950	+ 6,551,457	15,724,838	9,126	+ 15,715,712	7,895,892	6,203	+ 7,889,689
Value	$4,969,459	$12,814		$16,158,665	$12,381		$13,127,564	$18,415	
Cattle:									
Number	4,512	238,025	− 233,514	6,382	189,285	− 182,903	7,286	185,089	− 177,803
Value	$162,515	$512,350,214		$462,728	$8,498,113		$638,304	$14,377,487	
Flaxseed:									
Bushels	100	3,094,735	− 3,094,635	344	7,014,573	− 7,014,229	5,836	5,501,391	− 5,495,555
Value	$288	$3,235,164		$1,318	$17,334,606		$31,300	$16,375,622	
Eggs:									
Dozens	7,916,534	225,708	+ 7,690,826	10,850,678	441,151	+ 10,409,527	5,216,179	778,200	+ 4,437,979
Value	$1,728,760	$47,017		$3,305,017	$145,023		$1,937,493	$295,889	
Wool:									
Pounds	4,344,749	6,486,580	− 2,141,831	2,138,077	8,897,690	− 6,759,613	967,666	9,996,695	− 9,029,029
Value	$2,233,971	$3,291,903		$1,225,071	$4,075,397		$890,691	$6,516,892	
Potatoes:									
Bushels	230,115	27,576	+ 202,539	574,190	2,844,364	− 2,270,174	825,482	977,733	− 152,251
Value	$160,247	$16,370		$610,648	$4,153,539		$903,308	$1,077,148	
Meats:									
Fresh beef—									
Pounds	3,192,196	3,018,326		17,771,159	9,435,742		37,349,521	20,768,167	
Value	$320,030	$320,000,230		$2,171,951	$1,054,852		$5,309,684	$3,104,367	
Fresh mutton—									
Pounds	2,925,052	40,979		2,449,497	118,330		1,783,382	496,882	
Value	$366,739	$7,443		$351,293	$25,942		$381,668	$109,073	
Fresh pork—									
Pounds	32,962,200	2,017,060		24,832,531	1,651,227		11,395,691	1,813,017	
Value	$3,824,831	$218,328		$4,944,891	$280,795		$2,792,704	$369,211	
Bacon and hams—									
Pounds	42,264,249	377,396		124,326,937	168,056		57,123,764	245,692	
Value	$5,713,273	$87,334		$22,388,007	$39,265		$15,531,452	$75,236	
Total meats, pounds	81,343,697	12,753,761	+ 68,789,936	169,380,124	11,373,355	+158,006,769	107,652,338	23,303,758	+ 84,348,600
Fruits, fresh and dried:									
Apples, dried—									
Bushels	1,807,499			1,340,607			854,587		
Value	$101,673			$84,653			$109,327		
Apples, green or ripe—									
Pounds	301,986			314,955			457,948		
Value	$358,912			$948,967			$1,721,424		
Apricots, dried—									
Pounds	1,558,407			751,012			1,388,275		
Value	$114,300			$86,224			$203,578		
Bananas—									
Bunches		1,508			1,373			745	
Value		$1,984			$1,760			$1,047	
Berries, value	$607,900			$769,937			$835,000		
Currants—									
Pounds		22,489			238,400			298,123	
Value		$1,676			$36,643			$50,803	
Dates—									
Pounds		9,995			1,843			23,852	
Value		$803			$69			$4,502	
Figs—									
Pounds		3,000			32			25	
Value		$90			$3			$2	
Grapes—									
Cubic feet		50			3,356			191	
Value		$52			$925			$385	
Lemons, value	$359,796	$157		$497,898	$567		$633,388	$99	

Imports into United States from Canada and exports from United States to Canada, etc.—Continued.

	Fiscal year 1916.			Fiscal year 1917.			Fiscal year 1918.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Fruits, fresh and dried—Continued.									
Olives—									
Gallons		17,406			8,874			1,998	
Value		$9,993			$5,438			$1,209	
Oranges—									
Boxes	1,499,746			1,726,394			1,190,629		
Value	$3,449,589	$246		$4,029,265	$126		$4,398,613	$4	
Peaches, dried—									
Pounds	3,964,349			3,320,917			3,496,043		
Value	$166,782			$227,844			$354,375		
Pears, green or ripe, value	$241,156			$432,180			$654,674		
Prunes, dried—									
Pounds	11,537,965			11,112,227			18,025,903		
Value	$660,410			$816,306			$1,477,078		
Raisins—									
Pounds	25,513,920	2,305		30,319,658	120		37,938,552	550	
Value	$1,669,083	$177		$2,373,667	$14		$3,388,162	$56	
All other except preserves, value	$1,784,845	$154,132		$2,226,362	$132,371		$3,053,793	$167,168	
Total, value	$10,014,436	$168,310	+ $9,846,126	$12,493,333	$177,916	+$12,315,417	$16,829,412	$225,285	+ $16,604,127
Cotton, unmanufactured:									
Sea Island—									
Pounds	938,494			181,820			665,258		
Value	$246,269			$94,302			$433,232		
Upland and other—									
Pounds	96,123,702			82,892,880			101,102,381		
Value	$11,258,852			$14,579,584			$27,981,097		
Linters—									
Pounds	1,767,403			10,525,756			23,218,787		
Value	$175,341			$1,432,818			$2,791,374		
Total—									
Pounds	98,829,599	43,041	+ 98,786,558	93,600,456	18	+ 93,600,438	124,986,426	5,315	+ 124,981,111
Value	$11,689,461	$4,297	+$11,676,164	$16,106,704	$3	+$16,106,701	$31,205,703	$1,815	+ $31,203,888
Oil cake and oil cake meal:									
Corn—									
Pounds	5,750			250,004			250		
Value	$92			$4,449			$10		
Cottonseed cake—									
Pounds	82,200			40,765			1,382,700		
Value	$853			$714			$32,369		
Cottonseed meal—									
Pounds	9,825,100			21,688,628			12,195,654		
Value	$151,198			$367,955			$262,700		
Linseed cake—									
Pounds	1,325,840			6,384,269			10,493,000		
Value	$23,035			$125,749			$249,103		
Linseed meal—									
Pounds							1,253,256		
Value							$32,998		
All other—									
Pounds	179,053			905,257			493,347		
Value	$3,029			$20,025			$11,292		
Total—									
Pounds	11,427,943	2,387,864	+ 9,040,079	29,268,923	2,065,946	+ 27,199,977	25,818,207	2,805,640	+ 23,012,567
Value	$178,207	$32,147	+ $146,060	$518,892	$33,140	+ $485,752	$588,472	$67,926	+ $520,546
Sugar:									
Beet—									
Pounds		1,600			28,780			630	
Value		$156			$1,439			$66	
Cane—									
Pounds		12,985			9,687			89,667	
Value		$994			$875			$8,555	
Total—									
Pounds	642,253	14,585	+ 627,668	841,892	38,467	+ 803,425	11,936,008	90,297	+ 11,845,711
Value	$54,237	$1,140	+ $53,097	$50,607	$2,114	+ $48,493	$693,298	$8,621	+ $684,677
Tobacco:									
Leaf, wrapper—									
Pounds		23,496			70,091			88,629	
Value		$22,638			$80,583			$190,348	
Leaf, filler—									
Pounds		124,637			152,809			190,899	
Value		$33,472			$57,050			$58,238	
Total leaf—									
Pounds	18,621,186	148,133	+ 18,473,053	15,272,422	222,900	+ 15,049,522	17,577,987	279,528	+ 17,298,459
Value	$3,214,216	$56,110	+ $3,158,106	$3,430,684	$167,633	+ $3,263,051	$6,296,212	$248,586	+ $6,047,626
Stems and trimmings—									
Pounds				3,000					
Value				$210					
Cigars and cheroots—									
Thousands	34			82			96		
Pounds					78				
Value	$1,267			$2,274	$437		$3,340		
Cigarettes—									
Thousands	350			1,815			28,225		
Pounds		289			11			4	
Value	$1,627	$297		$6,597	$41		$51,212	$13	
Plug—									
Pounds	142,978			115,143			332,152		
Value	$57,876			$49,395			$128,604		
Smoking—									
Pounds	247,190			317,112			426,555		
Value	$139,267			$175,049			$242,412		
All other, value	$8,250	$1,638		$6,450	$986		$14,118	$2,210	
Total, value	$3,422,503	$58,045	+ $3,364,458	$3,670,659	$169,097	+ $3,501,562	$6,735,895	$250,809	+ $6,485,086

Imports into United States from Canada and exports from United States to Canada, etc.—Continued.

	Fiscal year 1916.			Fiscal year 1917.			Fiscal year 1918.		
	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Onions:									
Bushels	257,632	4,367	+ 253,265	207,852	56,421	+ 151,431	184,844	10,800	+ 174,044
Value	$235,739	$5,959	+ $229,780	$296,258	$126,773	+ $169,485	$190,193	$14,361	+ $175,829
Newsprint paper:									
Pounds	1,253,244	878,423,616	−875,170,372	1,245,719	981,039,992	−979,794,273	453,611	1,142,977,997	−1,142,524,386
Value	$34,953	$16,646,891	−$16,611,908	$53,587	$23,502,671	−$23,449,084	$27,244	$32,416,444	− $32,389,200
Pulp wood:									
Cords		979,010			1,016,814			1,172,024	
Value		$8,373,749			$6,889,123			$11,088,358	
Wood pulp:									
Tons	11,503	353,124	− 341,621	11,965	443,133	− 431,168	6,482	440,859	− 434,377
Value	$430,503	$10,432,488	$10,001,925	$713,956	$22,172,343	−$21,458,387	$392,225	$25,989,607	− $25,597,382

	6 months July to December, 1918.			Calendar year 1919.			11 months ending Nov. 30, 1920.		
	Exports.	Imports.	Trade balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Wheat:									
Bushels	26,478,814	961,070	+ 25,517,744	1,421,613	5,345,275	− 3,923,662	14,800,945	23,771,699	− 8,970,754
Value	$61,430,713	$1,962,245		$3,314,818	$11,293,079		$41,252,739	$53,795,252	
Wheat flour:									
Barrels	30,666	24,651	+ 6,015	7,316	13,380	− 6,064	24,189	561,076	− 539,887
Value	$308,250	$252,156		$89,154	$137,647		$268,749	$6,305,631	
Rye:									
Bushels	127,583		+ 120,585	1,385,498			6,384,692		+ 6,384,692
Value	$202,123			$2,063,613			$13,226,659		
Rye flour:									
Barrels	45,010		+ 45,010	8,025			3,228		+ 3,228
Value	$456,170			$61,111			$37,674		
Corn:									
Bushels	6,847,736	112	+ 6,847,624	6,542,025	25,116	+ 6,515,909	9,039,293	15,334	+ 9,023,959
Value	$9,320,736	$492		$10,690,552	$40,760		$13,653,365	$30,338	
Cattle:									
Number	1,803	218,797	− 216,992	11,192	550,004	− 538,812	4,060	272,670	− 268,610
Value	$172,910	$531,705		$858,621	$50,276,054		$541,182	$21,049,784	
Flaxseed:									
Bushels	7,991	510,410	− 502,419	8,562	1,279,132	− 1,270,570	10,255	1,189,479	− 1,179,224
Value	$56,181	$1,804,757		$65,975	$5,322,051		$77,008	$4,229,305	
Eggs:									
Dozens	1,173,664	27,610	+ 1,146,054	9,243,677	325,846	+ 8,917,831	7,025,255	179,490	+ 6,845,765
Value	$498,503	$13,747		$4,317,323	$122,618		$3,302,927	$112,162	
Wool:									
Pounds	194,107	2,452,781	− 2,258,674	2,498,176	12,815,891	− 10,317,715	5,077,056	4,734,429	+ 342,627
Value	$211,970	$1,558,785		$1,889,608	$8,389,598		$2,843,206	$2,139,218	
Potatoes:									
Bushels	383,330	309,963	− 426,633	610,622	5,307,721	− 4,697,102	733,626	4,881,541	− 4,147,915
Value	$464,652	$305,457		$885,550	$5,428,979		$1,597,391	$10,420,104	
Meats:									
Fresh beef—									
Pounds	1,508,330	330,817	− 10,022,487	2,621,011	31,124,474		2,304,571	35,514,797	− 33,210,225
Value	$372,682	$66,685		$481,298	$5,416,764		$389,104	$6,000,792	
Fresh mutton—									
Pounds	647,887	385,536	+ 61,351	2,594,402	6,791,939		1,583,783	8,253,212	− 6,667,429
Value	$153,134	$128,523		$529,050	$1,392,389		$351,319	$2,031,359	
Fresh pork—									
Pounds	81,491	1,422,661	− 1,341,170	21,905,577	2,407,601		10,641,961	949,528	+ 9,692,433
Value	$12,764	$335,128		$6,897,596	$525,060		$2,452,500	$288,762	
Bacon and hams—									
Pounds	7,355,747	736,562	+ 5,649,185	41,710,504	2,527,969		17,904,839	638,738	+ 17,266,101
Value	$2,287,122	$205,494		$12,959,005	$755,827		$4,302,866	$202,005	
Total meats, pounds	9,623,055	3,976,576	− 5,653,521	68,831,494	42,851,983	+ 25,979,511	32,437,154	45,358,275	− 12,919,121
Fruits, fresh and dried:									
Apples, dried—									
Bushels	50,809			69,740			225,576		
Value	$7,291			$14,133			$30,849		
Apples, green or ripe—									
Pounds	223,605			158,859			202,431		
Value	$1,013,293			$1,121,728			$1,468,240		
Apricots, dried—									
Pounds	1,158,926			724,344			769,193		
Value	$153,905			$137,444			$174,385		
Bananas—									
Bunches		341			523			255	
Value		$433			$680			$566	
Berries, value	$230,256			$1,151,897			$750,053		
Currants—									
Pounds		78,400			300,951			120,198	
Value		$18,158			$55,690			$19,728	
Dates—									
Pounds					678			133,548	
Value					$195			$16,347	
Figs—									
Pounds					443			54,752	
Value					$94			$10,912	
Grapes—									
Cubic feet					22,358			206,633	
Value		$259			$35,605			$456,407	
Lemons, value	$565,123			$1,173,965			$966,318	$2,172	
Olives—									
Gallons					513			2	
Value					$495			$8	
Oranges—									
Boxes	307,458			1,633,421			1,211,813		
Value	$1,707,707			$6,885,301	$821		$6,066,962	$222	
Peaches, dried—									
Pounds	305,590			3,326,675			1,564,870		
Value	$35,808			$581,528			$302,414		
Pears, green or ripe, value	$739,531			$1,141,222			$879,098		

Imports into United States from Canada and exports from United States to Canada, etc.—Continued.

	6 months, July to December, 1918.			Calendar year 1919.			11 months ending Nov. 30, 1920.		
	Exports.	Imports.	Trade balance.	Exports.	Imports.	Balance.	Exports.	Imports.	Balance.
Fruits, fresh and dried—Continued.									
Prunes, dried—									
Pounds	3,200,914			14,519,219			13,902,863		
Value	$271,766			$1,877,292			$1,997,914		
Raisins—									
Pounds	12,987,069			39,195,368	3,982		26,531,775	34,491	
Value	$1,171,346			$4,751,287	$656		$4,890,294	$6,367	
All other except preserves, value	$2,193,602	$148,464		$4,456,141	$1,135,255		$3,539,092	$808,400	
Total, value	$3,089,628	$167,314	+ $7,922,314	$23,291,938	$1,229,491	+$22,062,447	$21,065,619	$1,321,229	+ $19,744,390
Cotton, unmanufactured:									
Sea Island—									
Pounds	322,389			1,860,079			556,377		
Value	$223,144			$1,107,706			$409,935		
Upland and other—									
Pounds	50,353,229			78,423,852			92,536,169		
Value	$15,630,615			$25,065,365			$33,818,010		
Linters—									
Pounds	10,595,154			3,116,794			7,362,385		
Value	$1,297,050			$201,899			$408,365		
Total—									
Pounds	61,270,772		+ 61,270,772	83,405,725	83	+ 83,405,642	100,454,931	26,000	+ 100,428,931
Value	$17,150,809		+$17,150,809	$26,374,970	$22	+$26,374,948	$34,636,310	$8,296	+ $34,628,014
Oil cake and oil cake meal:									
Corn—									
Pounds	60,000			62,250			90,820		
Value	$2,606			$2,238			$2,216		
Cottonseed cake—									
Pounds				651,119			120,000		
Value				$20,383			$4,230		
Cottonseed meal—									
Pounds	5,325,100			8,758,085			6,602,531		
Value	$139,309			$272,398			$187,432		
Linseed cake—									
Pounds	1,215,560			405,518			120,000		
Value	$31,664			$14,088			$3,331		
Linseed meal—									
Pounds	17,801,600			4,491,826			3,132,125		
Value	$482,285			$131,904			$94,062		
All other—									
Pounds	315,904			904,109			1,309,936		
Value	$10,960			$17,489			$28,401		
Total—									
Pounds	25,218,164	338,280	+ 24,879,884	15,272,907	1,151,980	+ 14,120,927	11,375,412	2,079,018	+ 9,293,394
Value	$666,804	$7,355	+ $559,449	$458,500	$27,538	+ $430,962	$320,172	$66,983	+ $254,189
Sugar:									
Beet—									
Pounds								812,100	
Value								$92,049	
Cane—									
Pounds		14,169			4,961,368			58,497,675	
Value		$1,334			$508,808			$10,336,422	
Total—									
Pounds	59,255,324	14,169	+ 59,241,155	552,156	4,961,368	− 4,409,212	5,376,131	59,309,775	− 53,933,644
Value	$3,331,010	$1,334	+ $3,329,676	$108,811	$508,808	− $399,997	$715,821	$10,428,471	− $9,712,650
Tobacco:									
Leaf, wrapper—									
Pounds		2,334			375,454			17,230	
Value		$6,005			$435,434			$33,591	
Leaf, filler—									
Pounds		11,366			147,023			61,865	
Value		$6,855			$64,754			$23,935	
Total leaf—									
Pounds	15,349,985	13,700	+ 15,336,285	19,850,798	522,477	+ 19,328,321	15,131,076	79,095	+ 15,051,981
Value	$6,011,507	$12,860	+ $5,998,647	$9,335,843	$500,138	+ $8,835,655	$9,014,576	$57,526	+ $8,957,050
Stems and trimmings—									
Pounds				4,905			4,263		
Value				$152			$135		
Cigars and cheroots—									
Thousands	54			116			37		
Pounds					166			374	
Value	$1,824			$1,973	$362		$1,041	$388	
Cigarettes—									
Thousands	11,815			9,148			23,504		
Pounds					159			142	
Value	$21,694			$21,499	$826		$56,417	$898	
Plug—									
Pounds	55,309			73,671			78,145		
Value	$36,091			$60,505			$61,439		
Smoking—									
Pounds	158,829			332,452			244,235		
Value	$121,751			$295,108			$231,234		
All other, value	$4,646	$610		$8,136	$1,859		$12,012	$7,066	
Total, value	$6,197,513	$13,470	+ $6,184,043	$9,723,216	$503,235	+ $9,219,981	$9,376,854	$65,878	+ $9,310,976
Onions:									
Bushels	99,316	6,801	+ 92,515	218,129	26,328	+ 191,801	258,506	8,600	+ 249,906
Value	$126,419	$6,896	$119,523	$467,220	$29,725	+ $437,495	$465,826	$7,389	+ $458,437
Newsprint paper:									
Pounds	85,303	566,203,055	−566,117,752	703,243	1,248,957,881	−1,248,254,638	1,732,251	1,240,915,658	−1,239,183,407
Value	$6,151	$17,089,909	−$17,083,758	$34,940	$43,480,329	−$43,445,380	$133,461	$56,963,745	− $56,830,284
Pulp wood:									
Cords		796,650			1,047,091			1,070,330	
Value		$7,916,140			$10,456,696			$14,301,697	
Wood pulp:									
Tons	4,156	287,430	− 283,274	15,863	461,392	− 445,529	16,693	556,977	− 540,284
Value	$299,802	$17,280,733	−$16,980,931	$889,764	$27,297,886	−$26,408,122	$1,490,695	$58,255,000	− $56,764,305

Mr. McCUMBER. Mr. President, I am a strong believer in political parties—in political organizations—for the reason that I believe no measure of any importance can be presented before the American people and no policy can be adopted by the American people unless there is some party behind the policy—some party that is capable of presenting the issues to the American people.

But while I believe in party ties, I am not blind to some of the evils which flow from those ties. I have seen the manifestation of that evil not only when the Republican Party was in the minority but to a greater degree now that the Democratic Party is in the minority. A great many Senators seem to think that the moment their party becomes a minority party their highest duty to their consciences and their States is to find some kind of a pitfall into which they can dump the other party, and therefore they struggle and strive day after day, holding up legislation in some wild attempt to see if they can not find some flaw in the position taken by Senators on the other side of the Chamber.

I may claim that I am, perhaps, as little inclined to be a blind party follower as any man in the Senate; and the fact that I am not inclined to always follow does not detract, in my opinion, at least, from my good, sound, Republican principles. I claim to be a protectionist, and I follow that rule in voting upon tariff legislation. I do not think that everything which emanates from the Democratic side of the Chamber is necessarily wicked and vicious and hellish, as some of my friends on the other side think of everything which emanates from this side of the Chamber. I find that political parties are made up from the people of the United States, and that the people either inherit their political beliefs, as they often inherit their religious beliefs, or are affected by their early environment. I believe that, as a rule, people try to be reasonably honest with themselves, and that there are few questions presented for argument in this Chamber which have but their two sides and can not be defended upon either side to a certain extent.

Therefore I regret—and I may say that I exceedingly regret—when I see Senators with such transcended ability as many of those on the other side of the Chamber possess spending most of their time in finding fault with the Republican Party and condemning it rather than discussing fairly and, I think, honestly, the real merits of any proposition before the Senate.

I am not claiming that if we pass the pending bill we are going to raise wheat immediately 25 cents a bushel or 35 cents a bushel. I do not claim for a single moment that grain, like any other article, is not affected by the world's supply and demand. There are many conditions which affect it. But I must claim that I know a little more about the trade between this country and Canada than the informant who furnished the material which was the subject matter just discussed by the Senator from Kentucky [Mr. STANLEY].

The Senator from Kentucky says the price of grain in this country must be governed by the surplus of both this country and Canada. To a certain extent that is true. Then he backs up his proposition by a statement that we exported to Canada some 50,000,000 bushels of grain and Canada exported to the United States 48,000,000 bushels of grain, or some such amount, in a given length of time. I may not give his figures correctly, as I did not understand him exactly, but they are sufficiently accurate for this discussion.

The Senator perhaps did not quite understand all the conditions involved in the export of grain from the two countries. We do not export one bushel of wheat to be consumed in Canada, so that eliminates 50,000,000 bushels. We may send through the Welland Canal, for export, 20,000,000 bushels, which comes through Chicago, and from the Northern and Central States. We export practically none of the spring wheat which is raised in the Northwest, except in the form of macaroni. But the millions of bushels which come from Canada into this country, about which we are complaining, is the wheat we grind into flour and sell to the people of the United States. In other words, it comes into competition with the product grown in the United States.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from North Dakota yield to the Senator from Utah?

Mr. McCUMBER. I yield.

Mr. KING. I think the Senator ought to state that we export to Canada millions of dollars worth of cereals in various forms during the year.

Mr. McCUMBER. Oh, yes; we do export some millions, I think, most of it perhaps canned, like canned corn, and such articles, and a great many things which, by reason of our superior milling facilities, we are able to export.

Mr. KING. Breakfast foods of various kinds.

Mr. McCUMBER. And other different articles of food. I am not questioning that. I will hold close to the discussion of wheat for a while, however, until I get through with that.

The Senator from Kentucky states that it must follow if there is a surplus in the United States and a surplus in Canada, the price of our grain will be governed by the surplus in Canada. If we had to send all our surplus of a certain kind of grain to a foreign country, that would be true. But it so happens that it is not true.

The Senator from Kentucky has theoretical ideas about this situation, but the wheat buyer up in Minneapolis has practical ideas, and he puts his ideas into effect. When he looks across the border and sees from thirty-five to forty-five million bushels of wheat on the other side of the lake which will come over here the moment he bids up a little higher for the American wheat, he is not going to bid up any higher for it. He is going to get his wheat just as cheaply as he can.

The Senator seems to be surprised that the Canadian wheat brings just as good a price as the American wheat. Why, of course, that is what we are complaining about. If we have protection, however, to keep it out of the country, it would not. Naturally, water will seek its level, and if the prices should be a little lower on the Canadian side for a single week it would begin to flow over to this side, and the fact that it can flow over to this side means that it will keep our prices down as low as the Canadian prices, and that will always be the case just as long as we have no tariff wall between the two countries. I hope the Senator will understand that practical proposition.

I wish to invite the attention of the Senator now to another matter that I do not think he has fully considered. Under normal conditions, when we know just what the world's supply is for several months ahead, if I sell May wheat as against December wheat, I will always sell May wheat at an advantage. What will measure the advantage? It will be the difference between the carrying cost from December until May. That is the usual condition under a normal situation. May wheat is higher. That is, when we are protected.

But now let us see. If you will look at the grain statistics for the last month you will find that May wheat has been selling from 18 to 28 cents below cash wheat. There is a reason for that, a real practical reason, and the farmer up in my State understands that practical reason and of course the wheat buyer understands what it is. What is it? There are 45,000,000 bushels of wheat over at Fort William and Port Arthur all ready to be shipped when navigation opens. Navigation generally opens in May. In ordinary years there may be half a million to a million bushels there, but now there are from 35,000,000 to 40,000,000 bushels there ready for shipment to the United States the moment navigation opens. That will add so much to our surplus, and if we have a given amount of surplus of course it depresses the price, but if we multiply the surplus three times over our price is depressed to a still greater extent. The wheat buyer understands that, the miller understands it, and when he is buying for his mill for several months ahead he is looking over the country to see whether the visible supply is where he can get hold of it at a moment's notice. If he finds in his own country in the section from which he draws, say Minneapolis, from the spring-wheat section, that there is not a visible supply and that means a supply in the elevators from which he can draw, he will begin to bid up on his price to bring in the grain.

Mr. STANLEY. Mr. President——

Mr. McCUMBER. Just a moment and I will yield. If that supply can come over from Canada and he sees that there is a supply that he can reach into, he does not have to bid up at all. He can get that wheat for the same price and just bring it across the lake, and it will not cost him any more than to bring it from any other section as near by.

I now yield to the Senator from Kentucky.

Mr. STANLEY. As I understand the Senator, his argument is as to the price of wheat adjacent to the market, which means adjacent to the Minneapolis mills, to which this wheat is consigned, and not the level of prices over the country generally?

Mr. McCUMBER. Yes.

Mr. STANLEY. The contention is that it affects wheat in that immediate locality but not over the country generally?

Mr. McCUMBER. Yes; only as the price in one section of the country immediately reflects itself all over the country. It may not to any great extent, but it actually does. At one time we had 25 cents a bushel tariff on Canadian grain. We were exporting during all the years that we had that tariff. I am dealing with facts and not theories. Our prices averaged during that time at Minneapolis, which were the same at Duluth and on the Lakes, nearly 10 cents a bushel more than on the

Canadian side. Sometimes they would be almost the same. There were times when even the Canadian wheat might be a cent or two higher, but taking the average throughout all those years, the prices as quoted day in and day out were always higher upon the American side, and when we were short in our spring wheat in 1909 and 1910, Minneapolis and Liverpool prices were practically the same during most of the summer. It showed that in that year we had some 18 or 20 cents above the prices on the Canadian side. They had plenty of wheat on the Canadian side to ship in and of the same kind that the Minneapolis miller uses. We did not have 25 cents a bushel advantage, but it did help us out; it gave us an average of about 10 cents when wheat was selling from 90 cents to a dollar a bushel.

Mr. STANLEY. The Senator speaks of the difference. He differs widely from the conclusion reached by the Tariff Commission touching the difference in prices and costs. Does the Senator mean to contend that the difference in price was due to any other cause than the difference in the value of American money and Canadian money?

Mr. McCUMBER. Oh, no; this was before the war, and Canadian money was at par then. I am speaking now entirely of the period before the war, because that is the time when we had our tariff of 25 cents a bushel.

Mr. STANLEY. Taking it before the war, were the differences between the prices in Minneapolis and Winnipeg any greater than the difference between St. Louis or Kansas City and Minneapolis, or Charleston, S. C., and Minneapolis?

Mr. McCUMBER. Oh, yes; there was a greater difference, and I will tell the Senator why.

Mr. STANLEY. I think in that respect the Senator differs again from the findings of the Tariff Commission.

Mr. McCUMBER. I say it was reflected, but the difference would be greater, I think, during that period.

Mr. STANLEY. I will place in the RECORD at a later date the statement of the Tariff Commission, in which they differ radically from the findings of the Senator from North Dakota.

Mr. McCUMBER. The Tariff Commission can not differ from the actual figures as shown from the daily reports which I gave some time ago. I have not them with me now. I went over a period of 10 years and took the Winnipeg prices, made a very little allowance for the difference between the higher standard of grain which they really required for their No. 1 northern and our No. 1 northern, and compared the two for, I think, the 10 years that I took at that time, and they averaged a little less than 10 cents difference.

Mr. STANLEY. I should like to ask the Senator from North Dakota if it is not true that No. 1 Winnipeg Canadian wheat brings a higher price in Liverpool than American wheat of the same alleged quality?

Mr. McCUMBER. Yes; a very little higher, because they require a little stricter grade of any kind of mixed wheat. I think when wheat was $1 a bushel the difference as I computed it at that time would make from 2 to 3 cents better for the Canadian than for the American on that basis.

Mr. WILLIAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Mississippi?

Mr. McCUMBER. Certainly.

Mr. WILLIAMS. As I understood the Senator a moment ago, he said that whereas there was a surplus of about one and one-half million bushels of Canadian wheat, there is now a surplus of about 50,000,000 bushels?

Mr. McCUMBER. Between 35,000,000 and 40,000,000. In elevators at Fort William and Port Arthur there were on the 1st of April between 35,000,000 and 40,000,000 bushels of wheat.

Mr. WILLIAMS. Let us say about 40,000,000, whatever it may be. I wish to ask the Senator—and I am asking for information—why it was that this immense increase in the amount of surplus of Canadian wheat had taken place? Was it owing to an immensely increased Canadian crop or to an immensely decreased world consumption?

Mr. McCUMBER. I suppose undoubtedly that we can credit it to some extent to both. There was not a greatly increased Canadian crop, but there was a very good crop throughout Canada and a rather short crop in the spring wheat States in the United States. Canada produced the same kind of grain, and therefore there was a big demand by millers in this country for what they called the spring No. 1 northern wheat.

Mr. WILLIAMS. As I understand it, the increase of the Canadian crop over the normal Canadian crop in no way accounted for the difference between 1,500,000 and 40,000,000 bushels.

Mr. McCUMBER. Oh, no; certainly not.

Mr. WILLIAMS. Then do I understand that the immense accretion of Canadian surplus must be due largely to the decrease in world consumption?

Mr. McCUMBER. I think it may be due to a decreased world consumption and a decrease of foreign demand because of the inability of many countries to buy as much wheat as they could use——

Mr. WILLIAMS. I understand that.

Mr. McCUMBER. And therefore affording a better market in the United States.

Mr. WILLIAMS. When I said world consumption, of course, I was speaking in terms of economics. The world consumption of a product is the amount of the product that the world can afford to take and pay for, so that the world consumption is effectually the world demand. Now, has not that same thing happened with regard to cotton and with regard to nearly everything else which we raise in the shape of raw material, and can we hope to cure a world condition like that by mere American legislation?

Mr. McCUMBER. It often happens when you can not make a sick man well that you can at least keep him from dying. You may prescribe something that will prevent his demise entirely. I do not think anything that we can do in the shape of legislation to-day will make farming profitable in the United States at present wages and considering what the farmer has to pay for other things which he purchases, but it will make his losses less, and, therefore, I desire to do what I can for that reason.

Mr. WILLIAMS. I submit this thought to my friend from North Dakota: You can not keep a sick man from dying if he is dying for lack of food unless you give him food, and unless you are an altruist or philanthropist the world can not give him food unless he can pay for food either in money or in credit. So that you can not increase the foreign demand for American and Canadian wheat by American legislation which merely affects a little competition between America and Canada, nor by Canadian legislation which would merely affect the same thing. I add that because, of course, Canada will retaliate. Canada would be an immense ass if she did not retaliate if we start upon this economic warfare; but in either event the little settlement of our quantum of supplies for the competitive market could not enable the foreigner to buy the wheat or the flour unless we could reduce the price to him. Then, of course, pro tanto he could buy more; but when we increase our tariff between one another it is for the express purpose of increasing the price in the home market. If that has any effect in the foreign markets at all, the increase will be reflected there.

Mr. McCUMBER. Mr. President, no legislation, perhaps, that we can pass is going to affect the price that Canada can receive for her grain in a foreign market; I will admit that; but legislation which we can pass which will give to the American farmer exclusively, as against the Canadian farmer or any other farmer, his home market will pro tanto assist the American farmer. That is all we are claiming for the proposed legislation.

Mr. WILLIAMS. One more question, and then I will promise——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Mississippi?

Mr. McCUMBER. I will yield in a moment. We stand upon the broad proposition that the American market belongs of right to the American farmer just so long as he can supply that market for a reasonable compensation for his labors. We are not asking anything further. We can not go any further than that, but we can go that far.

Mr. WILLIAMS. Mr. President, one more question, and then I will resist the temptation further to bore my friend with questions.

Mr. McCUMBER. The Senator from Mississippi never bores anybody.

Mr. WILLIAMS. The United States is now raising a surplus of wheat over and above the domestic demand for it, is she not?

Mr. McCUMBER. On the whole, I answer the Senator's question yes.

Mr. WILLIAMS. Of course we have got to take ourselves as a whole; we are a Nation now. We are raising more wheat than we are consuming; and if the Senator admits that our local legislation can not increase the foreign price for wheat, then we have already overloaded the home supply of wheat, which can not be affected by merely cutting off foreign competition for the home market, where we already have an oversupply.

Mr. McCUMBER. I have answered that, Mr. President.

Mr. WILLIAMS. I beg the Senator's pardon. I shall not ask him to answer it again.

Mr. McCUMBER. I have answered by saying that our spring wheat States—and they constitute the section of the country principally affected—have not a surplus; in fact, there is somewhat of a deficit. If Canada did not supply what amounts to a surplus, then we would have a very much better price for the grain that is raised in the spring wheat States, and that condition, while it would not entirely remedy the situation in Kansas and Nebraska, would be reflected to a certain extent in higher prices throughout the United States.

Mr. WILLIAMS. At the risk of seeming to violate my promise of a moment ago, I desire to say that the different grades of wheat which are converted into various grades of flour are substitutable for one another as breadstuffs, as I understand.

Mr. McCUMBER. They are not wholly so.

Mr. WILLIAMS. If that be the case, then we must consider the entire American demand for flour and the entire American supply of flour—edible flour, substitutable flour one for the other. If we have more material out of which to make bread than the American people can eat or buy, then there is still a surplus in the market of all grades of wheat.

Mr. McCUMBER. If the Senator were in my State he would soon find that the good housewife would never dream of using winter wheat flour. She knows nothing about it; she does not think it makes good bread; at least in her way of making it, it does not. It is not the bread that she is used to making; and she will buy nothing but "Pillsbury's best," or some one of those flours that are made from the wheat grown in the spring wheat States, which are very rich in gluten. Perhaps if I were to go into Kansas I should find that there they would not use that flour to any extent whatever, even although it is used to quite an extent in Washington. I notice by the advertisements, and the fact that every grocery store carries it. However, so long as there is less of the spring wheat raised in the United States than our mills can grind and find a market for, our prices will naturally go up unless we can reach right over across the line and open another spout and run in the Canadian grain of like quality.

I want to be perfectly fair in the discussion of this matter; I am not claiming everything for this legislation; but I know that it will do that much good, and I know that Canada has this granary right across the Lake, and sends us daily wheat, which ought to be higher than cash wheat—for from 25 to 28 cents a bushel less than cash wheat. That is due entirely, as shown by the daily reports, in anticipation of the opening up of the Lakes for the transfer of Canadian grain to this country for consumption.

Mr. STANLEY rose.

Mr. McCUMBER. Now I yield to the Senator from Kentucky, and then I should like to pursue this matter to a conclusion.

Mr. STANLEY. As I understand, the Senator contends that generally prices for wheat are higher in the United States than in Canada?

Mr. McCUMBER. Under what conditions?

Mr. STANLEY. Under normal conditions.

Mr. McCUMBER. No; I do not claim that at all. Under the abnormal condition of having a tariff wall the Senator's statement is correct; under the normal condition of having no tariff wall naturally the prices of grains reach a common level, and they are no higher on one side of the line than on the other, because if they get higher on the one side than on the other, with no barrier at all, they immediately flow from one side to the other. I am not claiming that under normal conditions the prices are any higher here than in Canada.

Mr. STANLEY. I understood the Senator to say——

Mr. McCUMBER. What I am complaining of is that if we put up a barrier, a wall high enough to keep out Canadian grain, we are going to have our prices at least considerably higher whenever there is a little shortage.

Mr. STANLEY. Mr. President, I understood the Senator to state just a moment ago that the prices for wheat just before the war were higher in Minneapolis than in Winnipeg.

Mr. McCUMBER. During the war the prices might have been higher for some little local reason in connection with the supply and demand, but there is no general range of prices higher on one side than on the other whenever grain can flow from one side of the line to the other. That naturally follows. The prices were higher when we had a tariff there when the tariff was taken off, when the two flowed together and the price was practically the same on both sides, making the ordinary allowance for a little speculation in Winnipeg at one time and a different speculation in Chicago or Minneapolis, which might send the price up or depress it, depending upon whether the bears or the bulls were at work.

Now, Mr. President, I desire to complete my remarks. The rates fixed by the agricultural schedule of the pending bill, it will be remembered, will continue for six months only. Of course I want to continue them indefinitely, and hope to be able to do so in the next tariff bill. We expect to have a general tariff bill before the end of six months, and the rates provided in the pending bill will continue until that time. It is intended merely that they shall remain in effect until we can perfect a general tariff bill.

The pending measure provides for rates of duty on the articles enumerated according to the table duties which I ask permission to insert in the RECORD at this point.

The VICE PRESIDENT. Without objection, permission is granted.

The matter referred to is as follows:

Wheat, 35 cents per bushel.
Wheat flour and semolina, 20 per cent ad valorem.
Flaxseed, 30 cents per bushel.
Corn or maize, 15 cents per bushel.
Beans, 2 cents per pound.
Peanuts or ground beans, 3 cents per pound.
Potatoes, 25 cents per bushel.
Onions, 40 cents per bushel.
Rice, cleaned, 2 cents per pound; rice, cleaned for use in manufacture of canned foods, 1 cent per pound; uncleaned rice, 1½ cents per pound; rice flour, meal, etc., 1 cent per pound; rice paddy, three-fourths of 1 cent per pound.
Lemons, 2 cents per pound.
Oils: Peanut, 20 cents per gallon; cottonseed, coconut, and soya bean, 20 cents per gallon; olive, 40 cents per gallon in bulk, 50 cents per gallon in containers of less than 5 gallons.
Cattle, 30 per cent ad valorem.
Sheep: One year old or over, $2 per head; less than 1 year old, $1 per head.
Fresh or frozen beef, veal, mutton, lamb, and pork, 2 cents per pound.
Meats of all kinds, not provided for herein, 25 per cent ad valorem.
Cattle and sheep and other stock imported for breeding purposes, free.
Cotton, with staple of 1⅛ inches or more, 7 cents per pound.
Wool, unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound.
Wool, advanced beyond washed or scoured condition, 45 cents per pound in addition to rates of duty imposed by existing law.
Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by polariscope not above 75°, 1.16 cents per pound; each additional degree by polariscope, four one-hundredths of a cent per pound additional; molasses not above 40°, 24 per cent ad valorem; molasses above 40° and not above 56°, 3½ cents per gallon; above 56°, 7 cents per gallon.
Butter, and substitutes therefor, 6 cents per pound.
Cheese, and substitutes, 25 per cent ad valorem.
Milk, fresh, 2 cents per gallon; cream, 5 cents per gallon.
Milk, preserved, condensed, sterilized, 2 cents per pound; sugar of milk, 5 cents per pound.
Tobacco, wrapper and filler, $2.35 per pound; if stemmed, $3 per pound; filler, unstemmed, not specially provided for, 35 cents per pound; if stemmed, 50 cents per pound.
Apples, 30 cents per bushel.
Cherries, 3 cents per pound.
Olives, in solutions, 25 cents per gallon; not in solutions, 3 cents per pound.

Mr. McCUMBER. Mr. President, while many articles of consumption in the United States have materially decreased in selling price, agricultural products, including those of cattle, sheep, and wool industries—I might mention cotton also—have decreased entirely out of proportion to the general decrease of commodities throughout the country. Bear that in mind. The decrease in the selling price of farm commodities rests upon an entirely different basis from the decrease in the case of other commodities. I wish Senators to consider that proposition for a moment. Most commodities in the United States had been held up for excessive prices so long that the people had become unable longer to purchase at those excessive prices. They ceased buying, and in order to induce sales it became necessary to reduce the prices of such commodities. That is not true of agricultural products. There is just as much bread and butter and meat and poultry and eggs and vegetables consumed in the United States per capita to-day as there were when those products brought from two to three times the present prices. The prices have not fallen because of a decrease in demand. A man can wear his shoes or suit a month or six months longer if he can not afford to pay the prevailing prices for these articles, but he can not let his stomach go empty for one day, no matter what the price of food may be. We must, therefore, look elsewhere to ascertain the cause of the tremendous slump in the price of agricultural products.

We will find, Mr. President, that the decrease is due entirely to an accumulating surplus of agricultural commodities in the United States, practically all brought about by enormously increased or inflated importations. There has never been a year for the last century in which we have not to some extent been exporting agricultural commodities. We have always had some surplus. The greater proportion of our products have always

been consumed in this country. Our prices, therefore, have been fixed by the home demand, affected, of course, by the general world supply. The greater our surplus the smaller, naturally, our price. The visible supply—that is, the supply that is in the immediate reach of the miller—is the principal factor that governs the price which he offers for grain. If the supply is somewhat limited in this country, or in a certain vicinity, and we have something of a tariff wall between us and the great Canadian granary, the Minneapolis miller may be compelled to advance his price in order to keep his mill going. If he can tap this Canadian granary without any duty whatever, it will not be necessary for him to increase his bids.

The price of our wheat has been driven down to the lowest possible point because of enormous importations and imminent danger of still greater importations. The prices of our sheep and cattle have been driven down by reason of the enormous amount of shipments of mutton and beef and other meats. Our wool has been driven down because of the stupendous increase in the importations of wool from foreign countries.

I will elucidate by a few figures on the wheat situation, without repeating anything I said in my previous argument on this question.

As shown by the report of the Bureau of Markets, prior to 1914 the heaviest importations of wheat in any crop year were 2,673,000 bushels, and 150,000 barrels of flour, which, converted into wheat, makes about 60,000 bushels of wheat, and that would make somewhere about 3,000,000 bushels of importations for that year. That was the year ending June 30, 1914. The general average for the several years just prior to 1914 was less than 1,000,000 bushels.

Now, turn to the year 1920. According to this same report, for the four months of September, October, November, and December there were imported for consumption in the United States from Canada 37,800,000 bushels of wheat—that is, for home consumption, not for export from the United States. In January and February the imports by rail to Minneapolis and Duluth amounted to 6,800,000 bushels in addition.

On March 1, 1921, Canada had a net surplus of 45,000,000 bushels of wheat, about 35,000,000 of which were in store at Fort William and Port Ontario, in country elevators and cars in western Canada. With the opening of navigation these 35,000,000 bushels will be immediately loaded onto the United States. How much is coming in now I can not say, but I want to read from this same report a few items that may interest Senators who want to get at the real truth of the effect of Canadian importations.

I quote:

Wheat reserves in Canada will move slowly until about May 1, when, with the opening of navigation, it is predicted by the Chicago Board of Trade houses, there will be a heavy movement to the United States.

That accounts for the difference in May wheat. This is from official sources:

Speculators on the Chicago Board of Trade have begun to anticipate the heavy movement of Canadian wheat by selling the May future. The discount of the future under cash wheat indicates such selling pressure on the future and an absence of pressure on cash wheat.

Cash wheat, No. 2 red winter, in Chicago on March 19 sold at 22 to 23 cents over the May future, or at $1.62 to $1.65, and No. 2 hard winter at 11 to 15 cents over May, or $1.53 to $1.57. A year ago No. 2 hard winter sold at $2.48 and two years ago at $2.37.

This is from the Bureau of Markets:

In Minneapolis, on the 19th, No. 2 dark northern spring sold at 10 to 28 cents over Minneapolis May, or at $1.47 to $1.65. A year ago No. 2 dark northern sold at $2.70 to $2.95 and two years ago at $2.44.

Now, I turn to a later report which I selected from the Jamestown Alert, a daily of my State, quoting the Minneapolis prices. This is April 27, just a few days ago:

MINNEAPOLIS GRAIN.

MINNEAPOLIS, April 27.

Flour unchanged. Shipments, 45,416 barrels. Bran, $16. Wheat receipts, 314 cars, 101 cars a year ago. Cash No. 1 northern, $1.30½ to $1.38½; May, $1.18½—

Making 20 cents difference—

July, $1.11¼.

And so on. The further you get ahead, the lower the price is, depending upon the anticipated shipments from Canada.

I remember when we were discussing the Taft reciprocity proposition in the Senate, and I would pick up the daily papers. One day it was thought that the reciprocity program would go through and wheat would go down from 6 to 10 cents a bushel. The next day it was reported that it would fail to go through, and wheat would go up from 6 to 10 cents a bushel in the Minneapolis and the Duluth markets, all owing to the probability or improbability of free trade between the United States and Canada.

Mr. President, it is a waste of breath for any Senator to philosophize about the price in the United States being affected solely by the Liverpool price. The price is always affected by the principal place of consumption, and the United States consumes seven times as many bushels as are ever exported from the United States, and its home consumption is the main factor that fixes the price.

Of course, we are governed by the world supply and demand, and a great world supply reflects upon our price and depresses it, and a world deficit naturally affects it; but what affects it in addition to that, and what we are most concerned in, is the question of holding the American market for the American farmer.

Now, Mr. President, I want to put into the RECORD a statement of the shipments of flaxseed into the United States.

I notice that Canada exported to the United States, between 1910 and 1914, 4,110,370 bushels of flaxseed. That was five years ago—less than a million bushels a year, about 800,000 bushels a year. In 1920 it was increased to 1,687,813 bushels. Now, I come to Argentina. Argentina exported to the United States for those four years a little less than 2,000,000 bushels. That would be less than half a million bushels for each year; but in 1921 she exported almost 23,000,000 bushels. Does anyone think that that does not have any effect upon the price of flax in the United States—more than twenty times as much as she had ever exported in any single year before? To protect the American market we are giving a higher protective duty.

I am not going over the wool schedule, nor the sugar schedule, nor the other schedules. They were fully discussed at the last session, and I do not think any further discussion is needed. All I want is that the Senate should clearly understand the real situation as it affects the American people at or near the Canadian border.

As to meats, I quote the following from the Bureau of Markets:

There is a great surplus supply of meats and meat products in the United States, and prices of live stock have been driven to a decline much more rapid than the decline in cost of production while imports of meats have further depressed the market. This constitutes a menace to the live-stock industry. Live-stock operations (before the war frequently precarious and unprofitable) did not during the war build up a reserve of profits sufficient to offset the present losses due to the current marketing of war stimulated production at less than its cost.

Chicago market live-stock prices in February, 1921, reached index figures ranging from 104 to 111 (based on 1913), while general commodities were 167, and manufactured articles 230. Allowing for increased freight to the market, farm prices of live stock are practically at or below prewar levels. The price drop has been so rapid that the value of animals in many cases is now less than the amount of loans secured by them, wiping out the grower's equity entirely.

With reference to butter, the Bureau of Markets has this to say:

Previous to 1919 our annual importation of butter varied from 1,000,000 pounds to 7,000,000 pounds, and in only one year, 1914, was it greater than 3,000,000 pounds. The exchange and credit situation stimulated imports, and we received from foreign countries over 9,000,000 pounds of butter in 1919, and in 1920 our imports reached the unprecedented figure of 37,000,000 pounds. In January, 1921, we imported 3,800,000 pounds and in February 1,896,000 pounds.

I do not care to discuss the assertion so often made that this is giving the farmer a gold brick. If it is giving it to him, we are not charging him a cent for it and it will not do him any harm; but the same Senators who are arguing that the farmer will not get any benefit from this legislation are with equally zealous and earnest argument declaring that it will raise the price of wheat 35 cents a bushel and that the consumer will pay it. I can not imagine anything more inconsistent. If the consumer will pay it, he can afford to pay it. If we should add 35 cents to the price of every bushel of wheat in the United States and it raised the price that much to the consumer, the consumer would pay 4 mills more for every loaf of bread that he ate, and as he eats half a loaf of bread a day upon the average for each person, it would cost him 2 mills more a day; and if he can make the farmer prosperous by paying 2 mills a day more for what he consumes, it is the best investment he can ever make, because it will enable the farmer to buy the products that the consumer is producing with labor that costs from $5 to $15 a day, while the farmers over the country to-day are not earning a dollar a day.

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

Mr. McCUMBER. I yield, Mr. President. I am ready to yield the floor.

Mr. KING. I do not know that I am controverting the solicitude which the Senator has exhibited for the farmers. Indeed, I think the farmers probably have not been sufficiently compensated for the labors which they have performed in the development of our country. But if the argument which the Senator is making is sound, does not the Senator concede that it

would be wise to increase the cost of everything which is produced, upon the theory that it would enable the vendor and the producer to buy more of other articles which are manufactured, so that as a result the more you pay for goods the greater your prosperity will be? Is not that the reductio ad absurdum to which the Senator's argument leads?

Mr. McCUMBER. No, Mr. President. You may, by excessive labor costs, brought about from any cause that you see fit to assign, make two-thirds of the country live upon a plane whereby they can expend five times as much as the other third can possibly earn. That is the trouble we have to-day. Your city prices are so much in advance of the prices and the earnings in the rural districts that for everything which you purchase in the city, from your land, which costs $100 a square foot, to the buildings which are constructed on it with bricks that cost a dollar apiece, they have to charge enormous prices, while they hope to recoup as against the farmer and compel him to produce for almost nothing. I want the farmer to earn as much as the carpenter. I ask the Senator if he does not?

Mr. KING. I would like to have him earn a little more.

Mr. McCUMBER. I want the farmer to earn as much as the carpenter. I want him to have as good a wage as the bricklayer. I want his children to dress as well. I want them to have just as much money to spend at the movies and to take their families to the theater. I want them to be able to ride in a good auto and not in a flivver always, and live the way the rest of the people live. What we want is to equalize the earning capacity of the American people, and the farmer's earnings are not a quarter of the earnings in another possible line of business. By helping agriculture along in any way we can we are blessing the country at large.

RECESS.

Mr. PENROSE. Mr. President, if no other Senator desires to address the Senate to-day upon the pending bill and I am informed that there is no one, I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 4 o'clock and 47 minutes p. m.) the Senate took a recess until to-morrow Tuesday, May 10, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 9, 1921.*

The House met at 12 o'clock noon.

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

Blessed Lord God, we do not come unto Thee in fear and distress, but with a psalm of human thanksgiving, for Thy mercies are with us as the bread of life, and Thou dost give us hope and aspirations not born of time. Continue the bestowal of Thy blessings upon us, and may everyone have a place in Thy great heart, which is coextensive with the needs of men. God bless our homeland and preside over its life and destiny. Through Jesus Christ our Lord. Amen.

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

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had passed without amendment joint resolution (H. J. Res. 52) to authorize the Secretary of the Interior, in his discretion, to furnish water to applicants and entrymen in arrears for more than one calendar year of payment for maintenance or construction charges notwithstanding the provisions of section 6 of the act of August 13, 1914.

The message also announced that the Senate had disagreed to the amendment of the House of Representatives to the bill (S. 1084) to provide a national budget system and an independent audit of Government accounts, and for other purposes, had agreed to conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. MCCORMICK, Mr. MOSES, and Mr. UNDERWOOD as the conferees on the part of the Senate.

ADDITIONAL PAGE.

Mr. IRELAND. Mr. Speaker, I ask consideration for the privileged resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 77.

Resolved, That the Doorkeeper be, and he is hereby, authorized and directed to appoint an additional page for the remainder of the present Congress, to be paid compensation out of the contingent fund of the House, at the rate of $82.50 per month, said appointment to date from the opening of the present session.

Mr. IRELAND. Mr. Speaker, this is the usual resolution to provide a page to attend the gentleman from Minnesota [Mr. SCHALL]. I move the adoption of the resolution.

The question was taken, and the resolution was agreed to.

CLERK, COMMITTEE ON DISPOSITION OF USELESS EXECUTIVE PAPERS.

Mr. IRELAND. Mr. Speaker, I ask for the consideration of another privileged resolution.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 75.

Resolved, That there shall be paid out of the contingent fund of the House of Representatives, until otherwise provided by law, compensation at the rate of $2,000 per annum for the services of one clerk for the Committee on Disposition of Useless Executive Papers, said compensation to date from April 1, 1920.

The committee amendment was read, as follows:

Strike out "April 1, 1920," and insert "April 11, 1921."

Mr. IRELAND. Mr. Speaker and gentlemen of the House, the Committee on Disposition of Useless Executive Papers and Documents has not half completed its work. It worked during the vacation, and wishes to continue and complete the work it now has in hand and dispose of these papers which are cluttering up the files of the departments. The clerk to the committee was paid during the vacation on an interregnum certificate from the committee. This is to continue the work that was authorized last session. I ask for the adoption of the committee amendment.

The question was taken, and the committee amendment was agreed to.

The resolution as amended was agreed to.

ARMY APPROPRIATION BILL.

Mr. ANTHONY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5010, the Army appropriation bill.

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 further consideration of the bill H. R. 5010, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5010, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 5010) making appropriations for the support of the Army for the fiscal year ending June 30, 1922, and for other purposes.

The CHAIRMAN. When the committee rose an amendment offered by the gentleman from South Carolina [Mr. BYRNES] was pending.

Mr. WALSH. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The Clerk read as follows:

Page 24, line 9, after the word "all," strike out the figures "$29,350,000," and insert in lieu thereof "$27,500,000."

Mr. ANTHONY. Mr. Chairman, the committee feels that the amount named in the bill is as low as it is safe to go in the matter of subsistence for the coming year. As stated on Friday, the Committee on Appropriations cut the cost of the ration several cents below its present cost to-day. We cut it from its present cost of 42 cents to an estimate of 37 cents for the next fiscal year. We are taking quite an element of risk in cutting it that low, but believe it would be unsafe to go to a lower figure, because the War Department would have the right to bring in a deficiency, of course, for any amount it may cost them to feed the Army over that.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. ANTHONY. I will yield.

Mr. BYRNES of South Carolina. In ascertaining the amount is there anything in addition to what you call the constant items of the subsistence itself included in arriving at this figure?

Mr. ANTHONY. I do not know how much the constants are in the matter of subsistence. I imagine the constant cost is lower in the matter of subsistence than in any other item in the bill.

Mr. BYRNES of South Carolina. What I am anxious to know is whether or not there is anything included in this amount other than——

Mr. ANTHONY. No; I think the cost of labor and cost of storing and all that is carried in other items in the bill.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman from South Carolina.

been satisfactory. The engines supplied by the Electric Boat Co. are of special design, and have all had their crank shafts broken on account of excessive vibrations; after reducing the speed in order to eliminate the vibrations other defects have appeared, as a result of which the vessels' acceptance has been suspended until the defects have been remedied.

These 30 boats, I have been informed, apply to boats that have not yet been able to meet their preliminary acceptance trials.

House bill 4803 provides $2,000,000 to reengine the *L–1*, *L–2*, *L–3*, *L–4*, *L–9*, *L–10*, *L–11*, and *M–1*, none of which submarines were built by us.

I do not criticize this necessary expenditure to make right boats that have cost millions to build, and I know how difficult it is to calculate the stresses that come on internal-combustion engines in submarines. I believe I installed the first successful internal-combustion engine that was ever used in submarines. This was in the *Argonaut*, built with private capital back in 1896 and 1897. At that time the only submarine boat building for the United States Government was the *Plunger*, built under a Government appropriation and Government supervision. This vessel was fitted with steam engines, and she was uninhabitable and unseaworthy, and the only time she was ever submerged was when she accidentally sank at the dock. Our development of the gasoline internal-combustion engine produced the most successful engine of that type up to a certain size, but for larger power we found it unsuitable. We had been conducting experiments for years on heavy oil internal-combustion engines and had also kept in close touch with the various builders of engines which might be better adapted for submarine use, and were thus able to secure their cooperation to build on lines based upon our experience.

The basic hull features of the fleet submarine design are based upon my patents, which expired before we could get the opportunity to build such a type of vessel ourselves.

All my years of development of the cardinal features in submarines end with no profit whatsoever for those who have made this defensive weapon practical and of service use in the Navy.

Individually, I could have sold out several times for a large sum, but neither myself nor my associates felt it patriotic to do so, because a monopoly in our defensive weapons would not tend to give the country the best that American inventive ability can produce.

Now that some of our pioneer patents have expired, the Navy Department has started to build submarines in one of its navy yards, and other shipyards are also making efforts to get into the business which has been developed so largely at our own expense. I care little about this personally, because my first ambition to be taken into the Navy as a specialist to develop submarines is a thing of the past. My monetary remuneration probably would have been little more than a living and my personal freedom to develop other inventions would have been restricted. I am willing to pass my 28 years of work for the benefit of my country on to those who are responsible for the country's defense. I do care, however, about what becomes of the Lake Torpedo Boat Co., which has been financed by some of my friends, some of who have stood by me for years and provided means to carry this work along to a successful issue as far as providing proper methods and apparatus to protect our shores from any foreign foe.

Not one dollar of net profit has been made from the United States Government operations.

Our 23-acre shipyard and machine plant at Bridgeport is especially built for submarines only. It is the only one of its kind in the world.

It is fitted for no other uses than submarine construction. The staff and force are the creation of 20 years' experience, which education and experience has been secured at the expense of our stockholders, some of whom have put their lifetime savings into the company. Nowhere else is there a group of mechanics and engineers who have produced such excellent results. I believe the naval experts will concur in the statement that we have always tried to do our best and that our product is generally satisfactory.

To disband such a force of skilled mechanics is a national blunder.

Such an organization could not be perfected during any emergency.

The submarine has not yet reached its full development. There are other features that may well be added to further their effectiveness and increase the scope of their usefulness.

In my humble judgment it is the only weapon that can safely be relied upon to keep foreign fleets from our shores. Every other weapon is visible and can be met by another of its kind; the submarine is invisible, and if made noiseless and provided with noiseless and invisible automobile torpedoes or with proper mine-planting facilities, no other type of ship that floats on the surface of the sea or in the air can meet it on equal terms. The cost of a submarine is slight compared with other vessels. Did the six hundred millions spent for aircraft get a single German submarine? No. According to the official reports, the best defense against the German submarines was other submarines. As soon as war was declared between our country and Germany I sent several plans to our Navy Department as well as to some English naval friends. I outlined how submarines could be used for a defense against attacking enemy submarines. Some of these plans were later put into practice. They proved effective, but if they had been fully carried out the loss of ships near the English coast would have been very much reduced. These plans, I presume, are still on file in the secret archives of the Navy Department, where they may remain without further discussion so far as I am concerned.

This war has confirmed my conviction that American inventions for the protection of the country should be kept secret and inviolate. I wrote the Secretary of the Navy suggesting that all American inventions should be withheld from publication during the period of the war. I also saw the late Senator Tillman and suggested the same thing. He said, "Lake, that is a good idea. I will see that it is done." Afterwards I was notified by the Patent Office that I had a patent application in the office which if disclosed might be of aid to the enemy. I was warned that if I discussed it or disclosed it I would be subject to a fine of $10,000 and imprisonment. Thus I learned that my recommendation had been followed. I think this rule is a good one and that it should remain in force during peace. All weapons and devices and chemical compositions invented by Americans applicable to war use should be held as American secrets.

In Berlin, Germany, our American consul once read a circular addressed to German manufacturers to this effect: "Manufacturers, do not allow foreigners to visit your factories where you have any special process or machines in use, especially beware of Americans, as they are quick to grasp new ideas; on the contrary, you should send representatives from your factories to foreign countries, especially America, as they are an inventive people. Your people should obtain employment in their factories; thus you will learn all that the others know plus what you alone know. Therefore Deutschland über alles! Signed, Wilhelm."

The United States should provide a law to secure and keep secret American inventors' devices for warfare and make proper compensation for useful inventions.

Our country should encourage factories built especially for our national defense. The Bridgeport submarine is one. Therefore I do not hesitate to ask Congress to continue the 1916 program for submarines, so that this plant and organization can be kept together for any possible Government need.

Yours, respectfully,

SIMON LAKE.

EMERGENCY TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent the dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

Mr. KELLOGG. Mr. President, it has been said on the other side of the Chamber several times that no one on this side of the Chamber is discussing or defending the emergency tariff bill. The principal reason is they have not had any chance. The Democrats, as usual, have done all the talking and have taken practically all the time. It is touching to notice the tender solicitude of Democratic Senators, especially the Senator from Mississippi [Mr. HARRISON], for the interests of the farmer, suggesting all sorts of things that he has not asked for and does not want but opposing one of the particular things that he does ask for. There is no use making any pretense; everyone knows that the Democratic Party is opposed to protection for the farmer. The farmers understand it, and they are not going to be fooled by all this talk such as the Senator from Mississippi and the Senator from Montana [Mr. WALSH] have indulged in.

Mr. HARRISON. Mr. President——

Mr. KELLOGG. I can not yield, because my time is very short.

Mr. HARRISON. The Senator has referred to the Senator from Mississippi.

Mr. KELLOGG. The Senator from Mississippi has taken two or three days discussing the matter, and I decline to yield.

The facts are that prior to the coming into power of the Democratic Party in 1912 nearly all the farm products produced by the farmer were protected. I have a list here which I ask to have placed in the RECORD, covering wheat, wheat flour, corn, cattle, sheep, potatoes, butter, cheese, milk, and cream.

The VICE PRESIDENT. Without objection, the list will be printed as requested.

The list referred to is as follows:

Comparison of duties between emergency bill and the Payne-Aldrich bill.

	Emergency.	Payne-Aldrich.
Wheat flour	35 cents per bushel 20 per cent ad valorem	25 cents. 25 per cent.
Corn	15 cents per bushel	15 cents.
Cattle	30 per cent ad valorem	27½ per cent.
Sheep, 1 year old	$2 per head	$1.50.
Sheep, less	$1 per head	75 cents.
Potatoes	25 cents per bushel	25 cents.
Butter	6 cents per pound	6 cents.
Cheese	23 per cent ad valorem	6 cents.
Milk	2 cents per gallon	2 cents.
Cream	5 cents per gallon	5 cents.

Mr. KELLOGG. Immediately when the Democratic Party came into power—and there is no use mincing words about it—a party obtained control which did not come from the States that produce the great staple prodnets that furnish the food for the American people. They wrote the tariff for the Northern States and the Western States, which do produce all the great agricultural products, and they put all such products on the free list. All that the farmer asks is that he be treated the same as other industries.

The Senator from Montana said that he was opposed to special legislation in favor of a class. The special legislation occurred in 1913, when the Democratic Party discriminated against the farmer. Now they are talking about special legislation in favor of certain interests. All we ask is that in the enactment of tariff legislation the industry of the farmer shall receive the same degree of protection as other industries receive.

The Senator from Mississippi [Mr. HARRISON] discoursed eloquently about the wonderful prosperity of this country between 1912 and 1919, the years of the Democratic administration; he said it was a great period; that it is good to think about it; that it was a time when our country blossomed in prosperity like the rose. He further said:

> Why, sirs, it was during this period that our exports increased, from 1912 to 1920, approximately $6,000,000,000. It was a period when the farmers received high prices for their prodnets.

And so forth. Now let us see when our exports increased and what the reason was. The Democratic Party came into power in 1912. In 1913 it enacted a tariff for revenue purposes only, tinctured with free trade; it placed upon the free list the principal products of the farm, which had theretofore received a reasonable protection, and it also greatly reduced tariff rates generally. I am not saying that some of those rates should not have been reduced, but let us see what became of our foreign trade about which the Senator from Mississippi so eloquently discoursed.

In 1913 our exports were $2,465,884,149. The year 1913 was the year in which the Democratic tariff bill was passed. The next year our exports dropped to $2,364,579,148, or substantially $100,000,000, and the balance of trade in favor of the United States dropped from $652,000,000, in round numbers, to $470,000,000.

Everyone knows that but for the World War our foreign commerce would have continued to decrease because of imports under the Underwood tariff. We were facing hard times, and we were actually suffering hard times, as the Senator knows, when the war came on, when we enormously increased our exports, and prices increased accordingly. The increase of exports was due to the war, because foreign countries were obliged to purchase in American markets. They could not get the products they required elsewhere. We now have hard times, and we are still operating under the Underwood Tariff Act.

Mr. President, what else occurred the moment the tariff on agricultural products was changed in favor of the free-trade tariff for revenue only theory of our friends on the other side? In 1912 only 47.47 per cent of our imports from Canada came into the United States free of duty; in 1914, the year after the Underwood law was passed, 80.97 per cent of the imports from Canada came in free of duty; and in 1919 88.73 per cent of the imports from that country came in free of duty. What does Canada principally produce? Agricultural products, the same as we do.

Mr. President, the Senator from Montana [Mr. WALSH] and other Senators argue that because we produce a surplus of agricultural products, which must be sold in foreign markets, therefore there should be no protection, because the price is made abroad. That is the same old argument that has always been advanced against any kind of protection. We also produce a surplus of manufactured products, which must seek their market in foreign countries, and yet it has been the policy of the Republican Party to give reasonable protection to the American manufacturing industry. Why should not the farmer for his products have the same protection in his domestic market, which is his principal market, that other industries have? I see no reason why he should not. His is the basic industry of the United States.

Now, let me give the Senate facts as to the importation of agricultural products, especially wheat from Canada. Of course, during the World War the wheat trade in Canada and the United States was in the hands of the respective Governments; the Government of Canada and Great Britain handled the Canadian crop for the benefit of England and of the allied forces, and the Government of the United States handled the American crop, and during the war there could not be and was no importation of any importance of Canadian wheat, flour, and other products into the United States. However, when the war closed the duty on wheat was taken off—on the 1st of September of last year. As Senators will remember, there was a duty on wheat imported from Canada or from any other country to the United States, to be removed when Canada or any other exporting country should take off the duty on wheat to be imported from the United States. So the importation of Canadian wheat became free on the 1st of September last.

Now, let us see what occurred in the next few months. During the last four months of 1920—September, October, November, and December—there were imported into the United States either in wheat, or the equivalent of wheat in flour, 35,074,676 bushels, and in the first three months of the present year 14,267,095 bushels, making substantially forty-nine and a quarter million bushels. If we produce a surplus, as we do, will the Senator tell me what that wheat was sent to the United States for, if it did not affect the American price and the American market? Of course it did. That grain was not sent to the United States simply to be shipped through to foreign countries. In addition to the 49,000,000 bushels imported since the 1st of last September, 41,000,000 bushels were shipped through the United States over the United States railways and waterways to foreign countries, making in the neighborhood of a little over 90,000,000 bushels of Canadian grain. Of course, the 41,000,000 bushels were simply shipped through and did not come in competition in the American market with American grain. That is perfectly fair to say. It was shipped through, the same as a large amount of Canadian grain is always shipped through, in bond, and it always will be, because of the facilities for handling it in the United States; but practically 50,000,000 bushels since last September came in here for domestic use and consumption in competition with American wheat.

Mr. SIMMONS. Mr. President, will the Senator yield to me for a moment?

Mr. KELLOGG. I will yield for a question, although my time is very short.

Mr. SIMMONS. I shall not attempt to do anything except to make a statement that I think is proper in order to throw some light on what the Senator has said. I think he has the figures somewhat confused, but I am not sure about that. Does the Senator include in the statement he is now making flour as well as wheat?

Mr. KELLOGG. Yes; I stated that the figures include wheat and the equivalent of wheat in flour.

Mr. SIMMONS. I wish to say to the Senator that my recollection is that the official statistics published by the Government show that during the eight months of the present fiscal year ending the 28th day of February only 41,000,000 bushels of wheat were imported into this country; that during the first two months of those eight months 39,000,000 bushels of wheat were exported; that during the whole period of the eight months 209,000,000 bushels of wheat were exported; that there was within 2,000,000 bushels as much exported in two months as were imported during the whole eight months; and that there was five times as much exported during the eight months as were imported during the eight months.

Mr. KELLOGG. Mr. President——

Mr. SIMMONS. If the Senator will pardon me, I simply wish to say that I recognize the fact that we have very little time for Senators to speak to-day, and it will be improper to interrupt them, so I am not going to interrupt the Senator any more.

Mr. KELLOGG. I thank the Senator. I will place in the RECORD at the end of my remarks the statement by the Bureau of Markets, given to me within the last few days, which includes the exports and imports, and a letter explaining them, for each month of 1920 and for the months of January, February,

and March, 1921. I think the Senator will find those figures to be accurate. As the Senator from Massachusetts [Mr. WALSH] stated yesterday that during that time there were about 49,000,000 bushels imported into the United States. He was correct. The fact is that much of the grain passed through the United States, as I said a few moments ago. In addition to the 49,000,000 bushels, 41,000,000 bushels went through the United States to foreign countries. We shipped considerable grain in the summer time through Canadian ports, and I think during that time there was shipped——

Mr. SIMMONS. Mr. President, I want to say that the figures I gave a little while ago were reported by the department as covering only wheat imported into this country and consumed in the country, not wheat that passes through in transit to Europe.

Mr. KELLOGG. I gave the figures separately. There was during 1920 a little over 14,000 000 bushels exported to Canada, but, as the statistics show, practically all of it—all except 175,816 bushels—was simply shipped through Canadian ports to Europe. Now, we ship through the Welland Canal and through the port of Montreal during the summer time a good deal of grain. Canada ships a great deal of grain through Portland, New York, Boston, and down the Lakes, and by American railways, directly through to European countries; but I have given the figures as to the importation of wheat into the United States for domestic consumption since last September of over 49,000,000 bushels which came into competition with American-produced wheat.

Now, let me explain another proposition which is very important. I am anxious to maintain the great milling industry, and some of the principal millers of my State are in favor of a tariff. They want a reasonable opportunity to mill in bond, which they always have had and always will have. The high-grade spring wheat of Minnesota, North and South Dakota, and Montana always sells in the market in Minneapolis and Duluth for a higher price, without considering the freight transportation or Lake transportation to Chicago, than in the Chicago market. That high-grade spring wheat sells at a premium. Why? Because the mills need it for manufacture to mix with lower grade grains and winter grains.

The fact is that if that grain can be shipped in free from Canada, this bonus price, as it may be called, or this high price for cash wheat for milling purposes, does appears. That is peculiar to the spring-wheat district. Everybody realizes that it is more expensive, more hazardous, to raise spring wheat than to raise winter wheat. The spring-wheat crop is subject to more uncertainties of weather and diseases which affect grain-growing States, because it matures so late in the season. It is more expensive to raise. It is more valuable for milling purposes. Spring wheat is raised entirely in Canada, almost practically entirely in Minnesota. North and South Dakota, and Montana.

I have produced the statement of the Department of Markets, made within the last few weeks, in which the Bureau of Markets states that on grain and meat products and various other products the American farmer needs protection; that these particular imported products which come into competition with the farmer of the Northwest are produced in countries where land and labor are cheaper than in the United States. That is stated by the Bureau of Markets. Of course, I do not claim that there is any great difference between the price of labor in Canada and the price of labor in the United States; but there is an enormous difference between the price of the free virgin soil of Canada and the land in Minnesota and North and South Dakota, which sells for $75 or $100 an acre and which has been producing wheat for a great many years and needs fertilization. In the Argentine, where wheat and corn come into competition with the wheat and corn of the United States, labor is very cheap and land is very cheap; and I might go on and say the same thing as to other countries.

Take the subject of meats. I am not going into the details of this schedule, because I have not the time and the Senate will find on page 9 of the report of the House committee a statement by the Bureau of Markets, Department of Agriculture, as to the necessity of a tariff on meat products. If I had the time I would read this statement; but I ask permission to insert a part of this page at the end of my remarks.

The VICE PRESIDENT. Without objection it is so ordered.

Mr. KELLOGG. Among other things, however, permit me to read a few sentences:

There is a great surplus supply of meats and meat products in the United States, and prices of live stock have been subjected to a decline much more rapid than the decline in cost of production, while imports of meats have further depressed the market. This constitutes a menace to the live-stock industry. Live-stock operations before the war frequently precarious and unprofitable) did not during the war build up a reserve of profits sufficient to offset the present losses due to the current marketing of war stimulated production at less than its cost.

Then the Bureau of Markets, a Government agency, proceeds to give these statistics, and says:

On the other hand, following the putting of meat on the free list in 1913, imports began a rapid development, which was cut off only by the war, and in 1919–20 show a marked tendency to resume. These facts need to be considered in conjunction with the fact that the Chicago packers control from 50 to 60 per cent of the meats shipped from South America to world markets. With our exports practically no greater than in 1910 and with a strong potentiality for increase of imports, the American farmers urgently need protection for their cattle and sheep products. Imports of mutton and lamb for the years 1917–1919 averaged about 6,000,000 pounds; in 1920 they were 100,000,000 pounds, and had a far more depressing effect on sheep and lamb prices than on consumers' prices of the products.

Mr. SHEPPARD. Mr. President, will the Senator give the date of that report?

Mr. KELLOGG. It was made some time during this session, because it quotes the importations and prices for 1920, and it is contained in the House report on the emergency tariff bill, which was made April 13, 1921.

I have not the time to discuss the details stated in this report. It treats of the subject of wheat and dairy products, and states that the farmers of the United States are sorely in need of a reasonable protection for their products.

Mr. President, I know it is not necessary to state the importance of agricultural industry in the United States, or anywhere else, for that matter. It is the basic industry which supports the great fabric of prosperity and progress in this country. Oh, you may say that that is the old statement, but it is true. It lies at the very foundation of the wonderful growth and development of this country. What is the tendency of the times? The tendency of the times is a decrease from year to year in the percentage of the agricultural population as compared with the population in the cities. Everyone knows it and deplores it, and is searching in the dark for a remedy. When we view the fact that since the War of the Rebellion the farm population has decreased from 75 per cent to less than 33 per cent, and the percentage of agricultural production to the demands of the people of this country is decreasing year by year, we begin to realize what it means to the prosperity and the development of this Nation.

You can not make men farm where there is no 8-hour day and no easy road to wealth and prosperity unless the farming is reasonably profitable. The life in the cities, with high pay and easy money which has been made during the wonderful development of the last 25 or 30 years, is more attractive than that on the farm. I know whereof I speak; and is the time coming when the 33 per cent of agricultural population will dwindle to 25 or 15 per cent, and the people will refuse to cultivate the land to support the millions of people in the cities, many of them idle?

We might just as well face the problem. We have to encourage the development of agriculture in this country in some way. The failure of agriculture has brought disaster to many a nation. It nearly wrecked Great Britain. The nation draws the streams of vitality from the farm, and not from the teeming millions in the cities.

Show me a nation where agriculture is prosperous, where the farmers are independent, where they are proprietors, with all that goes with proprietorship and ownership, and I will show you a progressive, enlightened people. Show me a nation where agriculture is declining, and I will show you a decadent nation. That has been the history of the world since history has been written.

What enabled France to go through the greatest war ever recorded? The fact that her people are farmers, proprietors, owning and living upon the land. It was a sturdy force of defense, which could not be overcome.

Mr. President, I read with a great deal of amusement the minority report by Mr. KITCHIN on the emergency tariff bill. He started out by saying:

The policies and principles advocated by the Democratic Party and inspiring the continued maintenance of its organization for nearly 100 years forbid our approval of the pending bill, and impel us to vigorously protest against its passage.

That is all there is in it. The tariff, in the minds of the Democratic Party, is not an economic issue; it is a tradition, a moth-eaten, hackneyed tradition, which the people of the South are trying to get rid of. I hold in my hand a memorial of the Southern Tariff Association, signed by hundreds of industries throughout all the Southern States, petitioning Congress to give the South the reasonable protection which her industries ought to have. The governors of the South, in meeting in Georgia, passed a resolution in favor of reasonable protection. But it contravenes the traditions and the history of the Democratic Party.

Mr. WATSON of Georgia. Mr. President, will the Senator allow me to ask him which governor of Georgia that was?

Mr. KELLOGG. I said the governors of the South at a meeting in Georgia. I did not say the governor of Georgia. I think the Senator misunderstood me.

Mr. WATSON of Georgia. I thought the Senator said the governor of Georgia, and I was desirous of knowing which governor of Georgia it was.

Mr. KELLOGG. I did not say the governor of Georgia at all. I said some of the governors of the South, or many of them, at a meeting in Georgia.

Mr. President, I think if anyone will read the minority report made by Mr. KITCHIN he will find that it is living entirely in the past. It reiterates all of the stock arguments which have been the property of that party, as Mr. KITCHIN says, for a hundred years. Yet it is reasonable protection which has made this country a great industrial Nation.

What did Mr. KITCHIN say?

We take this opportunity to reassure the Democracy of the Nation that the Democrats in Congress will take no back track on the tariff.

We do not expect that.

To us Republican protection is no better now than when the Tilden platform of 1876 denounced it "as a masterpiece of injustice, inequality, and false pretense." It is no better now than when the Cleveland platform of 1892 denounced it as "a fraud—a robbery of the great majority of the American people for the benefit of a few."

We all remember what became of the Democratic Party under the administration of Mr. Cleveland and the Wilson tariff bill. It brought on a panic in this country and a depression, which drove the party out of power for nearly 20 years.

Mr. SIMMONS. I hope the Senator, in recalling the Cleveland administration in this connection, will also remember the last Republican administration in connection with the Payne-Aldrich bill.

Mr. KELLOGG. Mr. KITCHIN said further:

It is no better now than when the Parker platform of 1904 denounced it as "a robbery of the many to enrich the few."

What became of Mr. Parker and his party? They disappeared for another term of years.

Mr. President, I am not in favor of building a tariff wall around the United States, shutting out trade with foreign countries, or building up monopolies under such a tariff wall. I favored the revision and reduction of the tariff in 1908. I was a member of the Republican convention in that year, and on the subcommittee which drew the platform in favor of it; and I shall again favor the reduction of duties whenever I believe they are approaching a degree injurious to the welfare of the great mass of the American people.

A tariff for revenue only is the policy, when tinctured with free trade, of the Democratic Party; in other words, to get the most revenue out of the tariff, irrespective of whether it hurts or helps American industry.

We on this side do not believe in it. Of course, we believe that we must have revenue, and it is proper to get it from tariff duties; but the tariff duties should be fixed at such a figure that not only will they produce some revenue but will afford a reasonable protection to American industries in competition with the industries of the world. And I do not know of any reason why the greatest industry in this country, the industry which lies at the foundation of all other industries, the industry which it is necessary to maintain if we are going to maintain the prosperity, yes, the progress, of the people of the United States, should not share in that protection.

I do not claim that this bill is perfect. There are other items which I think should be placed in the bill. There are some changes which I think should be made in the bill. I know there are other industries which deserve and should have protection. Even President Wilson came to Congress with a message asking for additional protection. I believe there are industries which need protection which this bill does not give them. But this bill is to be enacted for the purpose of giving the farmer his reasonable share of protection which the Democratic Party took away from him in 1913.

Mr. President, believing as I do, that the farming industry should be encouraged; that it will not unduly add to the cost of living; that it will help to encourage the farmer, who sorely needs help to-day, I shall vote for this bill.

APPENDIX A.

1. There is a great surplus supply of meats and meat products in the United States, and prices of live stock have been driven to a decline much more rapid than the decline in cost of production while imports of meats have further depressed the market. This constitutes a menace to the live-stock industry. Live-stock operations (before the war frequently precarious and unprofitable) did not during the war build up a reserve of profits sufficient to offset the present losses due to the current marketing of war stimulated production at less than its cost.

2. Chicago market live-stock prices in February, 1921, reached index figures, ranging from 104 to 111 (based on 1913), while general commodities were 167 and manufactured articles 230. Allowing for increased freight to the market, farm prices of live stock are practically at or below prewar levels. The price drop has been so rapid that the value of animals in many cases is now less than the amount of loans secured by them, wiping out the grower's equity entirely.

3. During the war the United States exported large quantities of meats and imported little, but it would be fallacious to suppose that this points to no need of, or benefit from, an import tariff. The history of exports and imports is clearly against such an assumption. Excluding pork, our exports of meat averaged 397,000,000 pounds from 1900 to 1907. From 1910 to 1914 they averaged only 75,000,000; from 1915 to 1919 they jumped to 397,000,000; but in 1920 fell to only 144,000,000. On the other hand, following the putting of meat on the free list in 1913, imports began a rapid development, which was cut off only by the war, and in 1919–20 show a marked tendency to resume. These facts need to be considered in conjunction with the fact that the Chicago packers control from 50 to 60 per cent of the meats shipped from South America to world markets. With our exports practically no greater than in 1910, and with a strong potentiality for increase of imports, the American farmers urgently need protection for their cattle and sheep products. Imports of mutton and lamb for the years 1917–1919 averaged about 6,000,000 pounds; in 1920 they were 100,000,000 pounds and had a far more depressing effect on sheep and lamb prices than on consumers' prices of the products.

4. It is generally recognized that the countries from which our imports of beef and mutton principally come have much lower costs of production than we. The principal difference is due, it is understood, to our higher labor costs. There has been for years a combination of American, British, and Argentine packing interests controlling South American exports of meat. In the absence of a tariff this situation is a menace to the American live-stock producer.

5. The future of our food supply is involved in this whole situation. The supply of meat animals is not keeping pace with the population, and present conditions unless speedily remedied will cause a serious degree of abandonment of the live-stock industry.

APPENDIX B.

Trade in wheat, including flour, between the United States and Canada, 1920–21.

[Statement prepared by Foreign Markets Service, Bureau of Markets.]

Months.	Wheat.		Wheat flour.		Wheat flour (in terms of wheat).		Total wheat (including flour).	
	Imported from Canada.	Exported to Canada.	Imported from Canada.	Exported to Canada.	Imported from Canada.	Exported to Canada.	Imported from Canada.	Exported to Canada.
1920.	*Bushels.*	*Bushels.*	*Barrels.*	*Barrels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*
January	753,324	40	27,472	2,750	123,624	12,375	876,948	12,415
February	534,635	8,208	19,914	1,108	89,613	4,986	624,248	13,194
March	526,752	6,777	11,524	2,696	51,858	12,132	578,610	18,909
April	50,225	9,721	21,478	1,413	96,651	6,359	146,876	16,080
May	410,155	3,903,999	20,940	2,811	94,240	12,649	504,385	3,916,648
June	124,137	3,011,107	26,326	2,880	118,467	13,001	300,911	3,016,750
July	36,798	1,974,502	39,283	1,254	176,774	5,643	155,265	1,986,553
August	170,274	3,853,597	17,861	2,657	80,375	11,957	250,649	3,865,554
September	1,842,383	608,809	14,299	1,698	64,345	7,641	1,906,728	616,450
October	9,800,438	613,561	163,312	2,395	734,904	10,777	10,535,342	624,338
November	9,522,578	811,624	201,666	2,518	907,497	11,331	10,430,075	822,955
December	11,185,112	10,727	226,093	1,061	1,017,419	4,775	12,202,531	15,502
Total, 1920	34,956,811	14,811,672	790,168	25,250	3,555,757	113,626	38,512,568	14,925,208
1921.								
January	4,504,856	110,317	220,436	1,899	991,962	8,540	5,496,818	118,857
February	4,403,719	125,193	202,324	3,571	910,458	16,070	5,314,168	141,263
March	2,671,043	139,223	174,459	3,789	785,066	17,050	3,456,109	156,273
Total three months, 1921	11,579,609	374,733	597,219	9,259	2,687,486	41,666	14,267,095	416,393

Source: Foreign Trade of the United States, Bureau of Foreign and Domestic Commerce.

Total wheat (including flour) during September, October, November, and December, 1920=35,074,676 bushels imported from Canada, 2,079,245 bushels exported to Canada.

APPENDIX C.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF MARKETS,
Washington, D. C., May 3, 1921.

HON. FRANK B. KELLOGG,
United States Senate.

DEAR SENATOR KELLOGG: In response to the telephone request from your office yesterday, I take pleasure in transmitting to you herewith a statement prepared by the Foreign Markets Service of this bureau, showing the imports and exports of wheat and wheat flour between the United States and Canada during the calendar year 1920 and for the first three months of the present calendar year. These figures are based upon the official trade statistics compiled by the Bureau of Foreign and Domestic Commerce. I may add by way of explanation that the greater part of the wheat shown as having been exported from the United States to Canada (14,811,672 bushels in 1920) was merely shipped through Canada for export to Europe. This statement is borne out by the trade statistics published by the Canadian Government, which show that only 175,816 bushels of American wheat was imported into Canada and entered for consumption during the first 10 months of the last calendar year.

You may also be interested in knowing that in addition to the wheat imported into the United States from Canada and entered for domestic consumption, some 41,000,000 bushels of Canadian wheat was shipped through the United States in bond for export to foreign countries. These bonded shipments are not included in the official trade statistics of the United States, either as imports or exports, but are reported separately as transit shipments through this country.

In addition to the bonded shipments mentioned above, a small quantity of Canadian wheat (365,315 bushels) was imported during the period from July 1, 1920, up to and including March 31, 1921. No doubt some of the wheat that was entered for consumption also left the ports of this country, either in the state in which it was received or mixed with American wheat and exported as such. Other quantities also, no doubt, left the country in the form of American flour. There is, however, no means of ascertaining the actual quantity of Canadian grain which has been exported from the United States in this manner, since Canadian wheat loses its identity once it enters our markets.

I am also sending you herewith as of possible interest in this connection a copy of the Market Reporter for March 19, 1921, in which you will find (p. 171) a statistical analysis of the wheat trade between the United States and Canada. The figures I have referred above on the trade between the United States and Canada are for wheat only and do not include wheat flour, which are shown, however, in the statistical table which is being forwarded to you herewith.

Very truly, yours,

GEORGE LIVINGSTON,
Chief of Bureau.

Mr. NEW. Mr. President, I rise to urge the adoption of an amendment which I submitted a few days ago, which was printed and is on the table. The reason for the amendment is found in a circumstance to which I referred when a similar bill was under discussion in this body last year. It seeks to protect the airplane-manufacturing industry of this country against the most unusual form of competition which I think any business organization has ever had to face. The circumstance to which I referred was, that about a year ago the British Government made a contract with a company known as the Aircraft Disposal Co., the purpose of which was to sell in other countries all the surplus airplanes which had been made in Great Britain during and after the war.

It is a well-known fact that during the war Great Britain manufactured a great many airplanes. More than ourselves, they built up an industry for the manufacture of planes, but, unlike us, they continued to manufacture planes under contract with companies which had been formed for their production for several months after the armistice was signed, whereas we quit it absolutely with the signing of the armistice.

The result was that Great Britain found herself with a very large number of surplus planes a year after the war. The British Government sold to the Aircraft Disposal Co. for $5,000,000 planes which cost them over $50,000,000 to manufacture, or for just 1 per cent of what it cost the British Government to make them.

Under the other terms of the contract the planes were to be sold not in Great Britain, that being expressly excluded, but in any foreign country. A contract was made with people in the United States to bring them over here and sell them, and quite a large number of them were brought to the United States. It can be very easily seen how that sort of thing furnishes competition against which no manufacturing enterprise can possibly stand.

A further feature of that contract was that the Aircraft Disposal Co. and its American agents might sell the planes at whatever figure they could get. No price was fixed upon them. The cost to that company was the 1 per cent of the cost of manufacture in England plus freight to this country and such little overhead as might be required to furnish selling machinery. If an American manufacturer put his plane on the market at a cost to him, say, of $5,000, he had in competition with him a plane which cost only 1 per cent of the $5,000 plus freight and overhead.

If he offered his machine at the bare cost to him of $5,000, he had to meet the competition of the man who came in here with the foreign plane and who said, "I will take $500 for mine," and he could sell it at $500 and make a profit for himself.

Under an additional feature of the contract one-half of the profits he got for his plane went to the British Government. That is where the British Government came in. If the plane was sold for $500, the man who sold it, the agent here, took one half of the profit himself—that is, what he got for it over the 1 per cent of cost of manufacture which he paid the British Government and the freight—and the other half went to the British Government.

I think if Senators will stop to think of all the features of the competition I have described, they will agree with me that it is no competition at all, and that no manufacturing enterprise that ever was or ever can be created can stand against that sort of condition of rate cutting.

I am urging the amendment not in the interest of any manufacturing enterprise, not even in the interest of an industry from a commercial standpoint. The amendment is on all fours with one presented the other day by the Senator from Pennsylvania [Mr. KNOX] with reference to the dye industry. It has to do directly with the maintenance of the national defense. We positively must have in this country an industry for the production of airplanes. There is no one agency of war to-day that is so necessary to the national defense as the aircraft industry. It is not necessary, and I have not the time if it were, to refer to our experiences here during the war. We all know they were tremendously expensive, and that at the best they were not very flattering.

Mr. SIMMONS. Mr. President——

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

Mr. NEW. I believe we are now operating under the unanimous-consent agreement, in which case I have but 10 minutes.

Mr. SIMMONS. I merely wish to ask the Senator one question.

Mr. NEW. I yield for an inquiry.

Mr. SIMMONS. I wish to ask the Senator if it is his understanding that airplanes are now or have at any time since the armistice been exported from abroad into this country and sold here at less than the price of airplanes in the country of origin?

Mr. NEW. Yes; that has happened.

Mr. SIMMONS. Then there has been dumping of airplanes?

Mr. NEW. There positively has been.

Mr. SIMMONS. The Senator will remember that there was a contention here a few days ago in a colloquy in which I participated with the Senator from North Dakota [Mr. MCCUMBER] that there was no dumping of airplanes.

Mr. NEW. If the Senator will permit me, I wish to say a word on that point. Hundreds of those planes were shipped from Great Britain to the United States for sale in this country. They were not put upon the market for one reason only, and that was because the American manufacturers appealed to the United States court, their appeal to Congress having failed, on the ground that the British planes are based upon an American patent, and the United States courts held very justly, I think, that they did infringe upon that patent. Some of those airplanes are to-day in bonded warehouses at eastern ports ready to be put upon the market here at any figure that their American owners can get for them the moment the temporary injunction shall be dissolved, if it ever is.

I would not urge this amendment if I felt that the provision already in the bill intended or designed to prevent dumping covered this case, but it does not cover it; it does not touch it at any point. That provision bases the inhibition against importations and dumping upon the cost of production of an article abroad, whereas Senators can see at once from what I have said that the airplanes are not brought in here and sold with any reference whatever to the cost of their production abroad. They are sold at just whatever an American purchaser can be induced to pay. If it is 10 per cent of the cost of production, well and good. If it is 20 per cent, that much better, but it can be sold at 5 per cent of the actual cost of production, and yet, presumably at least, yield to the man who sells it something in the way of a profit.

I have sought to make clear, in the very brief time that I have had to present the subject, that the reason for the proposed amendment is not to protect somebody's business, but that it is to preserve in this country the nucleus, at least, of an industry which can be relied upon to produce aircraft in case of an emergency, in order that we may not be left exactly where we were in 1917 when we went into the war. No man is going to invest money in a plant intended for the construction of aircraft when he sees immediately before him somebody else producing the

thing into which he is proposing to put his money who will offer the product at a ruinous percentage of what it will cost him to produce it. It marks, in my judgment, the abandonment of the little that is left of the aircraft industry in the United States if it has to face that sort of competition. It is for that reason, as I have said, for the protection of an industry here which is vitally necessary to the national defense, that I am urging the adoption of the amendment.

Mr. PENROSE. Mr. President, this amendment was considered at the last moment by the Committee on Finance and was thought to be highly indefensible and undesirable. The only user or purchaser of airplanes is the Government, and there is no industry to amount to anything in the United States, properly so called, making airplanes. It can not be a subject of competition. Even if there should be private enterprise enlisted, it must be largely a monopoly furnishing the product to the Government. To attempt to tax the Government of the United States several hundred million dollars for fostering an alleged American industry which is nonexistent, if the American Government can go to England and get English airplanes for a few million dollars, seems utterly indefensible. From whatever angle it is looked at the proposition does not seem to permit of any favorable argument.

Mr. NEW. Mr. President, will the Senator yield a moment?

Mr. PENROSE. Certainly.

Mr. NEW. I can only express my surprise at the statement made by the Senator from Pennsylvania that there is no airplane industry in this country. There are now about 20 concerns in the United States that are making aircraft or aircraft parts. They produced last year in the United States about 100 planes. There is a commercial demand for airplanes, and it is growing, but it is being met by the sale here of made-over planes of foreign manufacture, which are really based originally upon American patents.

Mr. PENROSE. I am not informed as to how many concerns may be assembling airplanes. That there are 20 concerns, and it may be a great many more, that make parts of airplanes, I have no doubt. I have yet to discover that airplanes are in general use. Certainly they are not yet used for pleasure like the automobile or for carrying garden truck or farm products. The Post Office Department, the War Department, and the Navy Department seem to be the only branches of the Government using airplanes. The committee were unanimous in the decision with reference to this amendment as being entirely indefensible.

Mr. HARRISON. Mr. President, I suppose we are not going to vote on the amendment now, or is it the intention to vote on it at this time?

Mr. NEW. No; it is not.

Mr. HARRISON. I desire to offer an amendment and have it pending.

Mr. PENROSE. I think the Senate ought to know what is the ruling or interpretation under the unanimous-consent agreement. Is each amendment to be voted on when the proposer is through defending it and no one remains to oppose it? Why should they not be disposed of now? I do not care what procedure is adopted, but I should like to know what it is to be.

Mr. SIMMONS. If at this stage during the period of time reserved for discussion of the bill and amendments between 12 and 3 we are to debate and vote on the amendments pending it would very greatly restrict the opportunity of Senators to debate the amendments that are hereafter to be voted upon. I think a fair interpretation of the rule, which is intended to give opportunity to discuss every amendment that is going to be voted upon, would be to not vote on the amendments, but simply to discuss them preparatory to voting upon them after 3 o'clock.

Mr. PENROSE. I think perhaps the construction of the Senator from North Carolina is the correct one. It will be entirely satisfactory to me.

Mr. HARRISON. Mr. President——

Mr. McCUMBER. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator from North Dakota will state the point of order.

Mr. McCUMBER. I ask if there was not a unanimous-consent agreement to take up the bill in the first instance for action on the committee amendment only, and to dispose of the committee amendment? That is generally the case, and I simply wish to know what the facts are.

The VICE PRESIDENT. The bill has been read and the amendment proposed by the committee has been read.

Mr. McCUMBER. My question is whether the committee amendment shall be first considered?

The VICE PRESIDENT. There is no agreement about that.

Mr. CURTIS. I understand there is but one committee amendment, and, of course, the amendments offered to that part of the bill will be amendments to the amendment of the committee.

Mr. REED. I hope that the ruling will not be made that we may not vote upon amendments before 3 o'clock.

The VICE PRESIDENT. The Chair has made no such ruling.

Mr. REED. No; the Chair has not made it, but the chairman of the Committee on Finance [Mr. PENROSE] said he had no objection to that understanding, and I understood the Senator from North Carolina [Mr. SIMMONS] to say that he thought it would be a very good thing if we did not vote until 3 o'clock.

Mr. SIMMONS. Unless the debate on amendments shall have been concluded.

Mr. REED. I did not want that to go by general consent, because I think the language of the unanimous-consent agreement is perfectly plain. Its statement is:

> It is agreed by unanimous consent that at not later than 3 o'clock p. m., on the calendar day of Wednesday, May 11, 1921, the Senate will proceed to vote, without further debate, upon any amendment—

And so forth.

Clearly all we have agreed to do is to begin voting at 3 o'clock; but up to that time we shall be proceeding under the ordinary rules of the Senate. There are some amendments that I presume Senators wish to urge seriously. I have one that I desire to urge seriously, and I should like to have a vote on it when it can be discussed, and not have a vote after all opportunity for discussion shall have ceased.

Mr. SIMMONS. I have no objection whatsoever to the suggestion of the Senator from Missouri. I simply thought that probably three hours would not be more time than Senators would want to devote to the discussion of amendments, and if votes were being taken constantly during that period to that extent it would limit the opportunity of discussion.

Mr. REED. That is true.

Mr. PENROSE. So far as I am concerned, if the Senator will permit me, I shall cheerfully acquiesce in any procedure that will meet the convenience of Senators.

Mr. HARRISON. Mr. President——

Mr. JONES of New Mexico. I think I have the floor.

The VICE PRESIDENT. The Senator from Indiana has the floor.

Mr. NEW. I have concluded what I have to say, Mr. President.

The VICE PRESIDENT. Does the Chair understand that the Senator from Indiana has formally offered his amendment?

Mr. NEW. Yes.

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

The ASSISTANT SECRETARY. It is proposed to add, on page 18, after line 24, a new subdivision, as follows:

> (d) If it is established to the satisfaction of the appraising officers, under regulations established by the Secretary, that the foreign market value of airplanes, or airplane motors, parts, and accessories therefor, is wholly or partly based not upon cost of production or ordinary trade conditions of supply and demand but is based upon unusual excess stocks procured or accumulated through artificial or abnormal conditions, then the foreign market value of such airplanes or airplane motors, parts, or accessories for the purposes of this section shall not be less than the cost of production.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Indiana.

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

The VICE PRESIDENT. The yeas and nays are demanded. Is the demand sustained?

The yeas and nays were not ordered.

Mr. JONES of New Mexico. Mr. President, I thought I was recognized a while ago, and while I do not expect to speak on the amendment which has been proposed by the Senator from Indiana [Mr. NEW], I do feel that at some time before 3 o'clock I should make a statement in regard to an amendment which I have heretofore submitted to the bill. The amendment of the Senator from Indiana is to the committee amendment, and I suppose is in order at this time to be voted upon; but the amendment which I propose is not to the committee amendment, and therefore can not be voted upon until after the voting shall have been concluded on amendments to the committee amendment beginning at 3 o'clock, as I understand.

Mr. PENROSE. If the Senator will permit me, the amendment offered by the Senator from Indiana is not a committee amendment.

Mr. JONES of New Mexico. It is an amendment to the committee amendment.

Mr. PENROSE. But that is a different proposition.

Mr. JONES of New Mexico. Yes. I think I stated that the amendment of the Senator from Indiana was an amendment to the committee amendment. I quite understand that the committee has never reported any such amendment as that now suggested by the Senator from Indiana. A day or two ago, however, I submitted an amendment imposing a duty upon hides. I intend now to modify my amendment, so as to include sheep pelts and goat skins, and also to change the amount of duty, which was previously provided for by the amendment.

I think our unanimous-consent agreement is rather ill-advised, and to such agreements I have heretofore interposed objection. I believe there should be an opportunity whenever an amendment is offered in any stage of the consideration of the bill to explain the amendment. I have so stated on numerous former occasions.

I do not like, however, to be persistent in opposing unanimous-consent agreements which prohibit discussion upon amendments at the time they are offered and preceding the time they are to be voted upon. There are comparatively few Senators now in the Chamber, and the various amendments which are offered here can not be explained so that Senators will understand them when the time for voting upon them arrives. But I expect, as best I can, to call to the attention of the few Senators who are present at this time the amendment which I propose to offer, which is, on page 3, after line 11, to insert the following:

Sheep pelts, goatskins, and hides of cattle, raw or cured, whether dry, salted, or pickled, 5 cents per pound and 15 per cent ad valorem: *Provided*, That upon all leather exported, made from imported hides, there shall be allowed a drawback equal to the amount of duty paid on such hides, to be paid under such regulations as the Secretary of the Treasury may prescribe.

I intend to offer that amendment in that form, and if it is voted down, as I feel quite sure it will be, then I propose to strike out the provision for a duty of 5 cents a pound and to leave only a duty of 15 per cent ad valorem. Fifteen per cent ad valorem was the duty placed upon hides in the Dingley bill; it is practically the lowest duty that is put upon any commodity, and, it seems to me, is a very modest duty to put upon hides.

I realize that the question of the duty upon hides has been a mooted one in the Congress for many years. But at the last session, when we were considering the emergency tariff bill, we put a duty of 15 per cent ad valorem upon hides. That was stricken out in conference. Why it was stricken out I am unable to say; I do not know. I am sure I do not know why the House did not put a duty upon hides in this bill in the first instance before it was sent over to the Senate. I understand that there is a declared purpose to oppose any amendment to be offered to the tariff provisions of the pending bill; but I do not believe that is a wise attitude for the Senate to assume. It seems to me that we should consider all these questions upon their merits as they come up.

That there should be a duty upon hides in this emergency tariff bill there can be no doubt in the mind of anyone who is acquainted with the cattle and sheep industry. Hides at the present time are selling for 3 cents a pound. During the war, when shipping facilities were limited, there was an accumulation of hides in the other countries of the world, and now they are being brought into the United States and dumped on this market, so that hides which were bringing 30 and 40 cents a pound are now selling for 3 cents a pound, and in many cases there is no market for them at all. If we are going to protect any of the commodities produced in this country, I submit that there should be a duty placed upon hides.

I do not intend to discuss the general merits of the pending bill, but I do insist that if we are going to put a tariff upon the commodities embraced in the agricultural schedule of the bill we ought to put a tariff upon hides and pelts and goatskins. They are just as much entitled to protection and to consideration as any other commodity covered by the bill.

As I have said, I hope Senators will give careful consideration to this amendment and realize its importance to the live-stock interests of the country. If you want to protect the farmers of the country and the live-stock interests of the country, as you say you do, then why not go a step further and give some benefit to those who produce hides, who are now struggling and selling all of their products for much less than cost.

Mr. PENROSE. Mr. President, as I stated in the few remarks I made some days ago in explanation of this measure, it is deemed, after the most thorough discussion—as the Senator from New Mexico, as a member of the Committee on Finance, knows very well—utterly out of the question to attempt to amend the tariff features of the so-called emergency tariff bill. To open the door would simply result in a general effort to frame a permanent tariff measure, which might not be enacted until very late in the summer. This is an emergency bill; it does not pretend to cover every case of merit which, perhaps, originally should have been included; and now to attempt to include all these meritorious cases is simply out of the question. If this emergency tariff bill is to be passed to last only six months, or until the permanent tariff bill becomes a law, it must be passed immediately. That is very well known.

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

Mr. PENROSE. Yes.

Mr. SIMMONS. In reference to this particular matter, as the Senator will recall, a duty was placed on hides by the last emergency tariff bill which passed the Senate.

Mr. PENROSE. Oh, Mr. President, I know that very well.

Mr. SIMMONS. Yes; but the Senator will not permit me to finish. That duty was stricken out only because a mistake was made in the compensatory duty.

Mr. PENROSE. Mr. President, these matters may be corrected at the day of judgment, but can not be corrected in the Senate at this time.

Mr. SIMMONS. The Senator, I think, knows that probably there would have been no serious objection in conference to the duty on hides if it had not been for that mistake.

Mr. PENROSE. I will tell the Senator——

Mr. SIMMONS. Why can not that mistake now be corrected and why can not this item be allowed to go in? It has as much merit and justice as any other item covered by the agricultural schedule of the bill.

Mr. PENROSE. Mr. President, I think the Senator, as leader of the minority, ought to endeavor to facilitate the passage of this measure instead of embarrassing it.

Mr. SIMMONS. I am not embarrassing it.

Mr. PENROSE. He knows that he is embarrassing and jeopardizing it by trying to open the door. Hides produced in the Southwest do not require his able championship, which ought to be directed more strictly to lumber and other products of the South, in connection with which we have always heard his eloquence with interest.

I wish to say again—and I mean it very positively—that I am fully assured, and I believe, that the majority conferees will never agree to any amendment to the tariff features of the pending bill. That some meritorious subjects may have been inadvertently left out of the measure, I take for granted.

I want to assure the Senator from New Mexico now that I have always advocated a duty on hides. It was with the greatest reluctance that, as a member of the Finance Committee in 1907, I acquiesced, at the earnest solicitation of President Taft, in dropping the duty from the Payne-Aldrich bill; but I will help the Senator when the permanent tariff bill comes along for consideration by this body, if hides are not provided for by the House bill, to put upon hides the Payne rate or any other rate that the Senator may deem necessary for the preservation of the hide industry as a by-product of the cattle business. The permanent tariff bill will be here, I hope, in a very few weeks, but the limitations of this bill are generally recognized, and the Senator is not doing his cause any good by taking up the time of the Senate now in a hopeless chase. His amendment commands my entire approval for insertion in the permanent tariff bill which we all hope will become a law early in the summer; and he will have my help for a duty on hides, as I have said, or on any other product of American industry that requires protection from unfair competition.

Mr. HARRISON. Mr. President, of course I know that most of these amendments will be rejected by the committee having the bill in charge; but I want to offer and have pending an amendment which I think will appeal to the fairness and the justice of the committee, that they will not oppose.

Under the antidumping provision of the bill, it is very likely that certain goods or articles that are now brought in free may have a tax imposed upon them, to the detriment of the farmer. This being a farmer's bill, or pretended to be such by the leaders on the other side, I am sure you want to help the farmers to purchase as cheaply as possible those things that they need in order to produce wheat and cotton and various farm products; so the amendment I propose is a proviso to the antidumping feature that will prevent a tariff being imposed on farm implements brought into this country. I am sure that it will appeal to the fairness of the other side of the aisle, and when you vote on it I hope you will vote for it.

I ask that the amendment may be read at this time.

The VICE PRESIDENT. The amendment can be read, but it can not yet be pending.

The ASSISTANT SECRETARY. On page 26, line 13, the Senator from Mississippi will propose the following amendment:

Provided, That the provisions of Title II of the pending bill shall not apply to barbed-wire fencing, plows, disk harrows, harvesters, reapers, agricultural drills, mowers, horse rakes, cultivators, thrashing machines, cotton gins, wagons, carts, sewing machines, fertilizers of every kind,

and elements from which fertilizers are manufactured, jute, binding twine, cotton bagging, and agricultural implements of every character, which are now on the free list, and when imported into the United States from any foreign country.

Mr. REED. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. REED. Does the Senator from Indiana [Mr. NEW] intend to ask for a vote on his amendment at this time, or to let it lie over?

Mr. NEW. I ask for a vote on it now, Mr. President.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Indiana to the amendment of the committee.

Mr. POMERENE. Mr. President, I ask to have the amendment stated. I came in just a moment ago.

Mr. NEW. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BORAH. I have just come into the Chamber. I ask to have the amendment stated.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. On page 18, it is proposed to insert a new subdivision, as follows:

(d) If it is established to the satisfaction of the appraising officers, under regulations established by the Secretary, that the foreign market value of airplanes, or airplane motors, parts, and accessories therefor, is wholly or partly based not upon cost of production or ordinary trade conditions of supply and demand, but is based upon unusual excess stocks procured or accumulated through artificial or abnormal conditions, then the foreign market value of such airplanes or airplane motors, parts, or accessories for the purposes of this section shall not be less than the cost of production.

Mr. BORAH. Mr. President, may I ask who determines all these questions?

Mr. NEW. The Board of Appraisers.

Mr. BORAH. I think there is a very serious legal proposition involved in this matter.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Indiana [Mr. NEW] to the amendment of the committee. The yeas and nays have been demanded and ordered. The Secretary will call the roll.

The Assistant Secretary proceeded to call the roll.

Mr. EDGE (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr. OWEN]. In his absence, not having a transfer, I withhold my vote.

Mr. SWANSON (when his name was called). Has the senior Senator from Washington [Mr. JONES] voted?

The VICE PRESIDENT. He has not.

Mr. SWANSON. I have a pair with the Senator from Washington and therefore withhold my vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. HEFLIN. My colleague, the senior Senator from Alabama [Mr. UNDERWOOD], is unavoidably absent on account of death in his family. I ask that this announcement may stand for the day. On this question he is paired with the Senator from Massachusetts [Mr. LODGE], and if present would vote "nay."

Mr. WOLCOTT (after having voted in the negative). I inquire if the Senator from Indiana [Mr. WATSON] has voted?

The VICE PRESIDENT. He has not voted.

Mr. WOLCOTT. I voted under a misapprehension. I transfer the general pair I have with that Senator to the Senator from Nevada [Mr. PITTMAN] and will let my vote stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS] and

The Senator from West Virginia [Mr. SUTHERLAND] with the Senator from Arkansas [Mr. ROBINSON].

The result was announced—yeas 10, nays 64, as follows:

YEAS—10.

Dillingham	Moses	Poindexter	Wadsworth
Harreld	New	Shortridge	Willis
Keyes	Newberry		

NAYS—64.

Ashurst	Frelinghuysen	McCumber	Shields
Ball	Glass	McKellar	Simmons
Borah	Gooding	McKinley	Smith
Broussard	Hale	McNary	Smoot
Bursum	Harris	Nelson	Stanfield
Calder	Harrison	Nicholson	Stanley
Cameron	Heflin	Norris	Sterling
Capper	Hitchcock	Oddie	Townsend
Colt	Jones, N. Mex.	Overman	Trammell
Culberson	Kellogg	Penrose	Walsh, Mass.
Cummins	Kendrick	Phipps	Walsh, Mont.
Curtis	Kenyon	Pomerene	Warren
Ernst	King	Ransdell	Watson, Ga.
Fernald	La Follette	Reed	Weller
Fletcher	Lenroot	Robinson	Williams
France	McCormick	Sheppard	Wolcott

NOT VOTING—22.

Brandegee	Johnson	Myers	Sutherland
Caraway	Jones, Wash.	Norbeck	Swanson
Dial	Knox	Owen	Underwood
Edge	Ladd	Page	Watson, Ind.
Elkins	Lodge	Pittman	
Gerry	McLean	Spencer	

So Mr. NEW's amendment to the amendment of the committee was rejected.

Mr. ASHURST. Mr. President, if I be in order, I now call up the amendment heretofore proposed by me, on page 3, line 15, to strike out the numeral "7" and insert the numeral "20."

The VICE PRESIDENT. The committee amendment is now pending, and the amendment intended to be proposed by the Senator from Arizona is an amendment to the text of the bill.

Mr. BURSUM. Mr. President, I hope the Senate will see the wisdom and the need of adopting the amendment offered by my colleague, the senior Senator from New Mexico [Mr. JONES], placing a duty on hides of 5 cents, plus 15 per cent ad valorem, and a duty on sheep pelts of 5 cents, plus 15 per cent ad valorem.

It seems to me that if we are going to give protection to the live-stock grower, there is every reason why we should include the things which he is engaged in producing. There is just as much reason, to my mind, for placing a tariff on the beef and leaving out the hides, as there would be to permit the front quarters to come in free and place a duty on the hind quarters. The hide is just as much a part of the value of a cow or a steer as any other portion. In fact, in normal times it represents from 15 to 30 per cent of the full value of the carcass.

We of the West can not understand why there should be opposition to placing a duty on hides and on pelts. Some have said that it comes from the manufacturers. I hope that is not the case. We believe in protection. We believe in protecting American labor and American produce, whether it may be in New England, in the Southwest, or on the plains of our Middle States.

There never has been a time when the live-stock interests were in such a deplorable condition as at the present time. Live-stock growers were benefited very lightly by the war, as far as the prices of their products were concerned. Producers of wool were not permitted to sell their product in the open market. Their product was drafted by the Government, and they were paid whatever seemed proper to those in authority, and during the war, while wool was bringing as much as 40 to 50 cents in the grease, under the Government restrictions, had we been permitted to sell wool in the open market, a dollar a pound would have been the market price. While we were restricted in price, while the regulations of the Government were in effect, our expenses were forced upon us, and they left practically no profit.

I have a letter from one of our bankers in Magdalena, a city in the cattle and sheep producing section, and I desire to quote from this letter. The writer, Mr. Morley, said:

The best offer for steers that has been made in the last two or three days is $20 for yearlings.

That is a reduction of approximately 60 per cent of their value during the war. It is a reduction of nearly 40 per cent of their value preceding the war.

This writer continues:

Twenty-seven dollars and fifty cents for twos and $35 for threes. There is no question but that tight money is largely responsible for this situation, and those who can get funds are taking advantage of the conditions and pounding the prices down mercilessly. It is not necessary for me to tell you what will happen to the live-stock industry of New Mexico if the prices of cattle and sheep are allowed to be cut to a third or half of what they were a year ago; and, as you must know, such a cut entirely wipes out the equity that the grower has in the property and not infrequently leaves the banks with less security than their loans.

If this industry perishes, a great many of the financial institutions of the West will perish with it.

It would not be so serious, Senators, if one stockman, or a thousand, or a community, were broke, if some other persons engaged in that line of industry would take their places. But that is not the case, nor does it have that effect. Liquidation simply means that the live stock will be slaughtered; and it is amazing to me that, while we have no surplus of live stock in this country at the present time, values should be so demoralized. A representative of Swift & Co. made the statement to me a few days ago that if the packers were closed down for two weeks it would be impossible to feed the country.

If the packers have not more than a two weeks' supply on hand, where is the supply? It is not in the feed yards; it is not on the northwestern ranges, in Montana, Idaho, and Wyoming, where ranchmen graze steers for development and maturity. Those ranges are not up to capacity. Texas is not up

to capacity. Mexico has no live stock, except upon the western coast.

I submit, Senators, that this is a serious condition. I submit that the preservation of the live-stock industry, the preservation of the sheep industry, the growing of wool, is a vital matter to the life of the Nation itself, for in case of peril or war with a foreign country we would not get very far without any wool or without any meat to supply our troops.

I submit, Mr. President, that such conditions as exist now have never confronted the Nation; and with the delicate situation which exists in the minds of producers, the farmers, and the live-stock growers throughout the entire West, unless some relief is afforded, unless encouragement is given through Congress, we may not only see, as we saw during the war, meatless and wheatless days, but we may see the time when you will have a meatless and wheatless Nation, so far as a producing industry commensurate with the demands of this country is concerned.

I realize that it is not all due to the tariff. I realize that this emergency tariff bill can not do everything, that there are other complications, one of the chief of which is the railroad problem. I have a letter here from Roswell, N. Mex., with reference to the production of alfalfa, in which it is stated that the freight on alfalfa is from $11 to $19 to get it to market, and that the rate on cattle and sheep is so high that in the end it is going to paralyze them in all lines of business.

There is an extremely delicate situation confronting farmers and live-stock raisers which I feel we should meet squarely and fairly; that we should expend every agency within our power toward keeping these agricultural industries alive. I hope the Senate will adopt this amendment.

Just one more word, Mr. President, about hides. My information is that hides bring a dollar apiece. The same kind of hides brought from six to twelve dollars before the war. It takes a wagonload of hides to buy a pair of shoes.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. BURSUM. Mr. President, I ask leave to have printed as a part of my remarks the table which I send to the desk.

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

Wool production of the United States, calendar years 1919 and 1920.

[Estimated by the Department of Agriculture.]

	1919	1920
Wool.....pounds..	[illegible]000	302,297,000

Wool imported into the United States, calendar years 1919 and 1920.

	1919		1920	
	Quantity.	Value.	Quantity.	Value.
	Pounds.		*Lbs.*	
Class 1, clothing wool	334,029,598	$171,258,562	[illegible]340	$109,001,343
Class 2:				
Combing wool	7,734,051	4,583,522	[illegible]783	3,834,482
Hair of Angora goat, etc.	7,110,891	3,994,056	[illegible]411	2,572,159
Class 3, carpet wool	96,948,324	36,898,361	[illegible]307	11,564,104
Total	445,822,834	216,764,501	[illegible]041	126,972,088

	1919		1920	
	Quantity.	Value.	Quantity.	Value.
	Pounds.		*Lbs.*	
Hides and skins	744,836,035	$306,510,023	[illegible]376	$243,934,220

Hides produced.	1919	1920
	Lbs.	*Pieces.*
Cattle	[illegible]000	12,176,400
Calf	[illegible]000	9,662,800
Sheep	[illegible]000	14,247,500
Goat	[illegible]000	120,500

The VICE PRESIDENT. The question is on the committee amendment.

Mr. SIMMONS. What is the amendment now pending?

The VICE PRESIDENT. The amendment proposed by the committee, which is printed in the bill.

Mr. MOSES. Mr. President, a parliamentary inquiry. Are we to vote on the entire amendment submitted by the committee?

The VICE PRESIDENT. Yes; unless an amendment is offered to it.

Mr. WOLCOTT. A parliamentary inquiry, Mr. President. What is the question?

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee, which is printed in the bill.

Mr. WOLCOTT. I ask that the question on the amendment be divided. As I recall it, it embodies three questions.

Mr. REED. Mr. President, before we vote upon the amendment reported by the committee, I desire to offer the amendment to the committee amendment which I now send to the desk.

The VICE PRESIDENT. The amendment to the amendment will be read.

The ASSISTANT SECRETARY. Add to the committee amendment, at the foot of page 18:

Whenever it is established to the satisfaction of the Secretary of the Treasury that merchandise upon which an import duty is levied by the United States is being commonly exported from the United States and is being commonly and generally sold in the countries to which exported at less than the same class or kind of merchandise is being sold or offered for sale in the United States, then the Secretary of the Treasury shall issue an order suspending and setting aside any import duty or tariff upon the importation of the same or similar articles of merchandise into the United States, said order to remain effective so long as the condition aforesaid exists.

Mr. REED. After the word "being," in line 6 of my proposed amendment to the amendment, I wish to insert the word "generally," so that it will read "being generally sold or offered for sale in the United States."

The VICE PRESIDENT. The Senator has a right to modify his amendment, and it will be so modified.

Mr. REED. Mr. President, I desire to address myself to the bill for 10 minutes, reserving the right to employ a further 10 minutes upon the amendment to the amendment if it becomes necessary.

The bill contains a dumping clause to the effect that when goods are being sold in the United States for less than they are being sold in the country of their production, an additional duty shall be levied in order to protect our people against cheap goods dumped upon our market. The other side of that question is that American manufacturers may sell their goods abroad for less than they are sold to the American people. They may indulge in this practice of dumping.

I am not interested in that phase of the question from the standpoint of protecting any European manufacturer of course, but with a tariff law already upon the statute books and with this bill pending, the situation is that if American manufacturers are able to sell their goods abroad for less than the American price, and do so sell them abroad for less than the American price, then the foreign purchaser gets the benefit of the cheap goods, but the American who wants to protect himself against the excessive price charged at home can not buy goods abroad, because they are barred out by the tariff. He can not even go to a European market and buy American goods which have been sold there at a low price and bring them back into the United States.

Now, I insist that if there is any merit in a tariff law it must exist in the fact that it promotes American industry to a point where the price is ultimately reduced to the American people. But if the practice comes into existence of an American manufacturer making his goods here behind a tariff wall and selling them at a higher price to the American people, and then selling the same class of goods at a lower price to European or Asiatic purchasers, the result is that the whole benefit of the tariff inures to the foreigner and the whole of the burden of the tariff rests upon the American people. In other words, we tax ourselves to build up an industry, and when we have it built up, it sells to foreigners for less than it sells to American citizens.

That, in my opinion, is an unconscionable thing; it is indefensible. No man who claims that the Government should protect him in his business against foreign competition has any right whatsoever to object to this amendment, which simply takes away from him the tariff protection which he now has, when he is able to sell his goods in competition with the world and to pay the freight to foreign markets.

I ask for the yeas and nays upon the amendment to the amendment.

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

Mr. ROBINSON (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. SUTHERLAND] to the Senator from Texas [Mr. CULBERSON] and vote "yea."

The roll was concluded.

Mr. EDGE. I transfer my pair with the senior Senator from Oklahoma [Mr. OWEN] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. JONES of New Mexico (after having voted in the affirmative). I have a general pair with the Senator from Maine [Mr. FERNALD]. I observe that he has not voted. I transfer my pair with that Senator to the Senator from Nevada [Mr. PITTMAN] and let my vote stand.

Mr. CURTIS. I announce that the Senator from Massachusetts [Mr. LODGE] is paired with the Senator from Alabama [Mr. UNDERWOOD].

I also announce that the Senator from Minnesota [Mr. KELLOGG] is paired with the Senator from North Carolina [Mr. SIMMONS].

Mr. HARRISON. I wish to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is necessarily absent on account of a death in his family. He is paired with the Senator from Massachusetts [Mr. LODGE]. On the pending question the Senator from Alabama, if present, would vote "yea."

The result was announced—yeas 34, nays 46, as follows:

YEAS—34.

Ashurst	Hitchcock	Overman	Swanson
Borah	Jones, N. Mex.	Pomerene	Trammell
Caraway	Kendrick	Ransdell	Walsh, Mass.
Dial	Kenyon	Reed	Walsh, Mont.
Fletcher	King	Robinson	Watson, Ga.
Glass	La Follette	Sheppard	Williams
Harris	McKellar	Shields	Wolcott
Harrison	Myers	Smith	
Heflin	Norris	Stanley	

NAYS—46.

Ball	Frelinghuysen	McNary	Smoot
Broussard	Gooding	Moses	Spencer
Bursum	Hale	Nelson	Stanfield
Capper	Jones, Wash.	New	Sterling
Colt	Keyes	Newberry	Townsend
Cummins	Knox	Nicholson	Wadsworth
Curtis	Ladd	Norbeck	Warren
Dillingham	Lenroot	Oddie	Watson, Ind.
Edge	McCormick	Penrose	Weller
Elkins	McCumber	Phipps	Willis
Ernst	McKinley	Poindexter	
France	McLean	Shortridge	

NOT VOTING—16.

Brandegee	Fernald	Kellogg	Pittman
Calder	Gerry	Lodge	Simmons
Cameron	Harreld	Owen	Sutherland
Culberson	Johnson	Page	Underwood

So Mr. REED'S amendment to the committee amendment was rejected.

Mr. SMOOT. Mr. President, under the first paragraph of Rule XVIII, I ask that the Senate committee amendment be divided; that the first vote be on Title II of the amendment; and that then each succeeding title be voted upon.

The VICE PRESIDENT. Without objection, the amendment will be so divided.

Mr. ASHURST. Will the Senator from Utah kindly repeat his request?

Mr. SMOOT. I ask that, under the first paragraph of Rule XVIII, the vote on the committee amendment be divided, beginning with Title II of the committee amendment.

Mr. ASHURST. That each title of the amendment, after it shall have been perfected, be voted on separately?

Mr. SMOOT. Yes.

Mr. ASHURST. I hope that will be done.

The VICE PRESIDENT. Without objection, it will be so ordered.

Mr. STANLEY. I send to the Secretary's desk an amendment to the amendment of the committee.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The READING CLERK. On page 26, after line 16, it is proposed to insert the following section:

SEC. 213. That this title shall not apply in the case of merchandise imported from any country which does not impose upon the importation of merchandise from the United States restrictions similar to the restrictions imposed upon imported merchandise by this act.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Kentucky.

Mr. STANLEY. Mr. President, I shall address myself briefly to the provisions of the pending bill in general, reserving the right to speak for 10 minutes upon the amendment to the committee amendment I have just offered.

This bill, Mr. President, technically speaking, is not an antidumping bill. It is a universal price accelerator. By the terms of the opening section of the antidumping clause the bill provides for an investigation by the Secretary of the Treasury of low prices for commodities sold here or abroad, and in the event those prices, in the opinion of the Secretary, are unduly low, the importer guilty of selling too cheaply to the American consumer is to be published or pilloried by the Secretary.

Mr. President, this bill is in utter defiance, in utter disregard of the rights of the great mass of the American people. It is in utter and absolute disregard of that great aphorism of Adam Smith that "in every country it always is and must be the interest of the great body of people to buy what they want of those who sell it cheapest." Every great industrial country in the world—and especially the United States at present—must purchase abroad any number of commodities essential to the happiness of the citizen and to the success of the country's industrial enterprises, commodities that are produced in but small part or not at all at home. Every bill of this character ever prepared, ever offered, ever passed, by any sane parliamentary body has been safeguarded in its provisions in such a way as not to interfere with the importation of essential commodities not produced to any material extent in the country into which they are imported.

Mr. President, in Australasia, in Canada, South Africa, Australia, and Great Britain also, wherever legislation of this kind has been proposed, it has been safeguarded in such a way as to apply, first, only to such commodities as were imported in material amounts in competition with domestic enterprise and sold more cheaply at home than abroad, but the commodity must actually be sold more cheaply in the domestic than in the foreign market; and in the event it is not so sold, the law of Canada and the law of South Africa and bills proposed in the British Parliament do not apply.

I call attention to the sane and necessary provisions of the Canadian antidumping act, afterwards incorporated in the Underwood tariff bill as it passed the House of Representatives.

This law providing against the sale of foreign commodities more cheaply in Canada than in the place from which they were exported further provides:

That the said special duty shall not exceed 15 per cent ad valorem in any case.

And again:

Such regulations may provide for the temporary exemption from special duty of any article or class of articles, when it is established to the satisfaction of the minister of customs that such articles are not made or sold in Canada in substantial quantities, and offered for sale to all purchasers on equal terms under like conditions, having regard to the custom and usage of trade.

This bill would exclude shellac; it would exclude tea; it would exclude potash; it would exclude many essential articles, notwithstanding the fact that we can not produce at home one-hundredth part of the necessary supply. Any exotic industry producing the one-thousandth of a thing essential to the industrial and domestic life of the American people can, upon the complaint of this petty producer, be excluded from American markets.

Mr. PENROSE. Mr. President, will the Senator permit just a word on that point?

Mr. STANLEY. Certainly.

Mr. PENROSE. The committee amendment provides that application must be made to the Secretary of the Treasury, and he shall not order the antidumping provision to apply unless the importation from the foreign commodity injures an American industry. A raw material which is not produced in this country could not have the provision applied to it. Therefore the Senator's apprehensions are entirely groundless.

Mr. STANLEY. Mr. President, if the Senator please, the provision does not specify the size of the industry; it does not specify the amount of the commodity produced. An industry in my own or the Senator's State producing one ten-thousandth part of an essential commodity can ask for the sort of protection provided in the antidumping provision of the bill. There are small establishments producing potash and other commodities which would be entitled to like protection. If there is an industry producing a commodity of any kind the price of which to the importer is less than the price charged abroad, notwithstanding the protective duty, the antidumping provision will apply. Similar bills passed by every other civilized country are safeguarded in some respect.

Again, Mr. President, an American industry—for instance, the United States Steel Corporation—may sell more cheaply abroad than at home. The United States Steel Corporation does do that. Through its president, Judge Gary, before a committee of which I happened to be chairman, it boasted that it did sell more cheaply abroad than at home; and Judge Gary said that he proposed to continue that practice; that it was a sound and admirable policy. The manufacture of any article produced in the United States may dump it on the world at any

price he pleases; and not only that, but a combination or a trust can place the most extortionate prices upon any domestic commodity. The Beef Trust may charge what it pleases for beef; the Steel Trust what it pleases for steel; the Wool Trust what it pleases for clothing in the domestic market; and yet in the future, as in the past, these monopolies may dump their products upon the markets of the world at half what they charge the home consumer. Yet these same trusts can go before the Secretary of the Treasury and with unclean hands demand that the markets of America be closed because some foreign competitor, forsooth, may interfere with their trust, guaranteed licenses, and franchises to plunder the American consumer. I defy Senators on the other side to show where a bill of this kind was ever proposed by any civilized country not safeguarded against that sort of transparent, brazen, and iniquitous abuse.

The Canadian law provides that—

Whenever * * * it appears to the satisfaction to the governor in council that with regard to any article of commerce there exists any conspiracy, combination, agreement, or arrangement of any kind among manufacturers of such articles or dealers therein to unduly promote the advantage of the manufacturers or dealers at the expense of the consumer, the governor in council may admit the article free of duty or reduce the duty.

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

Mr. STANLEY. As I understand, under the unanimous-consent agreement I can discuss the bill for 10 minutes and each amendment for 10 minutes. Has my time expired on the amendment?

The VICE PRESIDENT. The Senator has a right to 10 minutes more to discuss the bill.

Mr. STANLEY. Mr. President, discussing this particular amendment and in the time allotted for the purpose, I will say that there is no provision in this bill as there is contained in every other bill of this character against combinations between the importer and domestic producer to enhance the domestic price.

Mr. President, not Democrats, not Republicans, not politicians, but political economists placed in the highest authority, clothed with the greatest power over your tariff schedules, placed in a position to advise you—and you are pledged by your own platform declarations to heed that advice—have warned you against the perils and iniquities of such legislation. Prof. Emery, the president of the Tariff Board, has shown the danger and the folly of this embargo.

No exporting nation in the world has ever invited a similar character of reprisal. With the exception of Canada and a few wild-eyed Australian colonies, no other country has enacted such a law. Prof. Emery, in a recent and well-digested article on this subject, has said:

What about our own position in regard to selling surplus products abroad? Do we wish to help start a movement not yet confined to a few sparsely settled colonies (Canada, Austria, etc.) which will become the practice of our leading competitors? What would be the position of our own export trade if all countries should adopt the principle that all goods can not be sold in foreign markets for less than the established price of the domestic market? We are in a peculiar position. In general, our domestic prices are relatively so high that dumping in our market is not so necessary as in other markets. The foreign manufacturer can commonly meet the competition by offering his goods at his regular home prices. On the other hand, prices in foreign markets are so low that the American exporter is largely driven by the sheer force of international competition to sell his surplus at some reduction. For this reason I believe the movement for an anti-dumping law may prove dangerous to American exporters.

What! Is this body forgetful of the changes of a few years? Yesterday you might have dared to do it. To-day it is consummate folly. Yesterday you were a debtor and an importing nation. To-day you are a creditor and the greatest exporter in all the world. Not only that, Senators, you are exporting under conditions that positively demand that to export at all you must sell for less abroad than at home. If the cost of production here is not greater than abroad, if the level of wages is not higher here than abroad, your platforms are as false as dicers' oaths; the whole system of protection is based upon a sophism and an economic lie. If England, France, Germany, and other countries of continental Europe apply the same medicine to you, press to your lips the same cup that you are now pressing to the lips of the other nations of the world, you will close your doors upon your foreign commerce, and to-day you are selling eight billions abroad for the four billions you import. To-day, in manufactures suitable for other manufacturers, you are importing five hundred millions and exporting nine hundred millions. You are preparing to spend hundreds of millions for a merchant marine—a merchant marine to do what? You must have cargoes as well as ships, and you will find no place for your ships and no open ports if the rest of the exporting countries of the world emulate the pernicious example of the greatest exporter on the globe. Your ships will rot in their ports, your balance of trade is gone, and to-day you must not only take care of that balance, but you must collect ten billions from those countries. They can not pay in gold; there is not enough gold in all the world. They can not dig the gold. The world does not produce enough to pay half the interest if every single pennyweight taken from the bowels of the earth were dedicated to this purpose alone. You must get this ten billions of dollars by the exchange of foreign commodities, and here you put an embargo upon foreign commodities.

You are not honest with yourselves. You are not honest with the world. You are not just to your own manufacturers, who boast that they do this very thing and are able to take care of themselves in doing it. I say to you that the most you can do, the only thing you can do and keep your face as a brave and an honest and a sane nation, is to apply this dumping clause, if it is applied at all, only to the countries that have preceded you in this colossal piece of industrial folly.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). The question is on the amendment of the Senator from Kentucky [Mr. STANLEY] to the amendment of the committee, on which the yeas and nays have been requested and ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement as on the previous vote as to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. WALSH of Montana (after having voted in the affirmative). I note that the Senator from New Jersey [Mr. FRELINGHUYSEN] has not voted. I have a pair with that Senator, which I transfer to the Senator from Texas [Mr. CULBERSON], and will allow my vote to stand.

Mr. HARRISON. I wish to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is paired with the Senator from Massachusetts [Mr. LODGE]. On the pending question the Senator from Alabama, if present, would vote "yea."

The result was announced—yeas 31, nays 51, as follows:

YEAS—31.

Ashurst	Heflin	Pittman	Swanson
Borah	Hitchcock	Pomerene	Trammell
Caraway	Jones, N. Mex.	Reed	Walsh, Mass.
Dial	King	Robinson	Walsh, Mont.
Fletcher	La Follette	Shields	Watson, Ga.
Glass	McKellar	Simmons	Williams
Harris	Myers	Smith	Wolcott
Harrison	Overman	Stanley	

NAYS—51.

Ball	Gooding	McLean	Sheppard
Brandegee	Hale	McNary	Shortridge
Broussard	Johnson	Moses	Smoot
Bursum	Jones, Wash.	New	Spencer
Capper	Kellogg	Newberry	Stanfield
Colt	Kendrick	Nicholson	Sterling
Curtis	Kenyon	Norbeck	Sutherland
Dillingham	Keyes	Norris	Townsend
Edge	Knox	Oddie	Wadsworth
Elkins	Ladd	Penrose	Warren
Ernst	Lenroot	Phipps	Watson, Ind.
Fernald	McCormick	Poindexter	Willis
France	McCumber	Ransdell	

NOT VOTING—14.

Calder	Frelinghuysen	McKinley	Underwood
Cameron	Gerry	Nelson	Weller
Culberson	Harreld	Owen	
Cummins	Lodge	Page	

So Mr. STANLEY's amendment to the amendment of the committee was rejected.

Mr. STANLEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. Under Title II it is proposed to add to section 202 the following:

Provided, That such difference exceeds the duty imposed by law upon the importation of such merchandise.

Mr. STANLEY. Mr. President, this amendment will or should receive the support of both sides of the Chamber. This dumping provision is not intended to furnish adequate protection to American industries or for the purpose of affording protection, as protection, at all. It is intended to prevent the sale of foreign commodities in the American market, without regard to protective duty, for less than they are sold in the home market. In applying a dumping act you can not regulate the quantum of duty that is necessary to the success or prosperity of an enterprise and is just to the consuming public. You do not propose to go into that in connection with this dumping provision.

Mr. SIMMONS. I understand the Senator from Kentucky to state that it places a limitation on the dumping duty, and that limitation is the rate of duty imposed upon the article.

Mr. STANLEY. That is correct. Under this bill if a commodity shall be sold in the American market—say, a yard of Brussels carpet, with a duty of 100 per cent—if it is sold for 1 cent a yard less in the American market than in Brussels, this duty, with all the inquisitorial powers of the revenue agent to look at the books and examine the papers and go into the ship's invoices, and the inventory of its cargo, attaches, and it is an interference with trade which is annoying and harassing and which ought not to be invoked, except when goods are actually sold for less here than they are sold abroad.

If there is a duty of 100 per cent upon that product, the provisions of this bill can be invoked. I provide by this amendment that where the difference between the foreign selling price and the price charged in the home market is more than compensated by the duty imposed, then the law shall not apply.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Kentucky to the committee amendment.

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

The yeas and nays were ordered and taken.

Mr. PENROSE (after having voted in the negative). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. I observe that that Senator has not voted. I transfer my pair with the Senator from Mississippi to the junior Senator from Maryland [Mr. WELLER] and allow my vote to stand.

Mr. CURTIS. I desire to announce that the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN].

Mr. HARRISON. I wish to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is paired with the Senator from Massachusetts [Mr. LODGE]. On the pending question the Senator from Alabama, if present, would vote "yea."

The result was announced—yeas 29, nays 48, as follows:

YEAS—29.

Ashurst	Hitchcock	Reed	Trammell
Caraway	Jones, N. Mex.	Robinson	Walsh, Mass.
Dial	King	Sheppard	Walsh, Mont.
Fletcher	McKellar	Shields	Watson, Ga.
Glass	Myers	Simmons	Wolcott
Harris	Overman	Smith	
Harrison	Pittman	Stanley	
Heflin	Pomerene	Swanson	

NAYS—48.

Ball	Frelinghuysen	Lenroot	Poindexter
Brandegee	Gooding	McCumber	Shortridge
Broussard	Hale	McLean	Smoot
Bursum	Harreld	McNary	Spencer
Calder	Johnson	Moses	Stanfield
Capper	Jones, Wash.	Nelson	Sterling
Colt	Kellogg	New	Sutherland
Cummins	Kendrick	Newberry	Townsend
Curtis	Keyes	Norbeck	Wadsworth
Dillingham	Knox	Oddie	Warren
Elkins	Ladd	Penrose	Watson, Ind.
Fernald	La Follette	Phipps	Willis

NOT VOTING—19.

Borah	France	McKinley	Ransdell
Cameron	Gerry	Nicholson	Underwood
Culberson	Kenyon	Norris	Weller
Edge	Lodge	Owen	Williams
Ernst	McCormick	Page	

So Mr. STANLEY's amendment to the committee amendment was rejected.

Mr. STANLEY. Mr. President, I send to the desk an amendment which is, in substance, a substitution of the dumping provision contained in the Underwood bill as it left the House for the pending Senate committee amendment.

The PRESIDING OFFICER. The Secretary will read the amendment proposed by the Senator from Kentucky to the amendment of the committee.

The ASSISTANT SECRETARY. Under Title II (antidumping), strike out sections 201 to 211, inclusive, and insert in lieu thereof the following:

SEC. 201. That whenever articles are exported to the United States of a class or kind made or produced in the United States, if the export or actual selling price to an exporter in the United States, or the price at which such goods are consigned, is less than the fair market value of the same article when sold for home consumption in the usual and ordinary course in the country whence exported to the United States at the time of its exportation to the United States, there shall, in addition to the duties otherwise established, be levied, collected, and paid on such article on its importation into the United States a special duty (or dumping duty) equal to the difference between the said export or actual selling price of the article for export or the price at which such goods are consigned and the said fair market value thereof for home consumption, provided that the said special duties shall not exceed 15 per cent ad valorem in any case, and that goods whereon the duties otherwise established are equal to 60 per cent ad valorem shall be exempt from such special duty.

"Export price" or "selling price" or "price at which such goods are consigned" in this section shall be held to mean and include the exporter's price for the goods, exclusive of all charges thereon after their shipment from the place whence exported directly to the United States.

The Secretary of the Treasury shall make such rules and regulations as are necessary for the carrying out of the provisions of this section and for the enforcement thereof.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Kentucky [Mr. STANLEY] to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is now upon the committee amendment to insert Title II of the bill.

Mr. SIMMONS. I desire to inquire whether there are any other amendments to the committee substitute that have not been acted upon?

The PRESIDING OFFICER. The Chair is not aware of any amendments to the committee substitute that have not been acted upon by the Senate.

Mr. SIMMONS. But the amendment offered by the Senator from Arizona [Mr. ASHURST] has not yet been acted on.

Mr. ASHURST. Mr. President, I rose merely to inquire if my amendment is in order. My impression is that it is not in order, as it is an amendment to the text and not to the matter proposed to be inserted. Am I correct?

The PRESIDING OFFICER. The Chair thinks it is not in order at this time, the amendment offered by the Senator from Arizona being an amendment to another portion of the bill. It is not an amendment to the committee amendment.

Mr. SIMMONS. Then there is no further amendment which has been offered and not acted upon to the committee substitute for the House dumping and valuation provisions of the bill?

The PRESIDING OFFICER. The Chair understands there is not.

Mr. ASHURST. It will be remembered that the Senator from Utah [Mr. SMOOT] asked and obtained unanimous consent that the committee amendment be voted upon by titles; that is to say, Title II, first to be voted upon, then Title III, Title IV, and so on. The Senator from Utah happens to be out of the Chamber at this moment.

Mr. CURTIS. I have sent for the Senator from Utah. He has just stepped out.

Mr. ASHURST. Some Senators on this side of the aisle also desire that that course shall be pursued.

The PRESIDING OFFICER. The Chair does not understand the request of the Senator from Arizona.

Mr. ASHURST. I really made no request. I merely called attention to the fact that the Senator from Utah had asked and obtained unanimous consent that the committee amendment be voted upon by titles; in other words, that the question be put on the separate titles.

The PRESIDING OFFICER. The Chair has just stated that the pending question is on inserting Title II, as recommended by the committee.

Mr. ASHURST. I beg the Chair's pardon.

The PRESIDING OFFICER. The question is on agreeing to Title II of the committee amendment, which will be read.

The ASSISTANT SECRETARY. The committee report to strike out Title II of the bill as passed by the House and to insert:

TITLE II.—ANTIDUMPING.

DUMPING INVESTIGATION.

SEC. 201. (a) That whenever the Secretary of the Treasury (hereinafter in this act called the "Secretary"), after such investigation as he deems necessary, finds that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of a class or kind of foreign merchandise, and that merchandise of such class or kind is being sold or is likely to be sold in the United States or elsewhere at less than its fair value, then he shall make such finding public to the extent he deems necessary, together with a description of the class or kind of merchandise to which it applies in such detail as may be necessary for the guidance of the appraising officers.

(b) The powers and duties conferred or imposed upon the Secretary by this section may be exercised by him through such agency or agencies as he may designate.

SPECIAL DUMPING DUTY.

SEC. 202. (a) That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no report to the collector before such finding has been so made public, if the purchase price or the exporter's sales price is less than the foreign market value (or, in the absence of such value, than the cost of production) there shall be levied, collected, and paid, in addition to the duties imposed thereon by law, a special dumping duty in an amount equal to such difference.

(b) If it is established to the satisfaction of the appraising officers, under regulations prescribed by the Secretary, that the amount of such difference between the purchase price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers for exportation to the United States in the ordinary

course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then under regulations prescribed by the Secretary, the foreign market value shall for the purposes of this section be decreased accordingly.

(c) If it is established to the satisfaction of the appraising officers, under regulations prescribed by the Secretary, that the amount of such difference between the exporter's sales price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the United States in the ordinary course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then under regulations prescribed by the Secretary, the foreign market value shall for the purposes of this section be decreased accordingly.

PURCHASE PRICE.

SEC. 203. That for the purposes of this title, the purchase price of imported merchandise shall be the price at which such merchandise has been purchased or agreed to be purchased, prior to the time of exportation, by the person by whom or for whose account the merchandise is imported, including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price attributable to any costs, charges, United States import duties, and expenses incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States; and less the amount, if not included in such price, of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States: and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller in respect to the manufacture, production, or sale of the merchandise which have been rebated or which have not been collected by reason of the exportation of the merchandise to the United States.

EXPORTER'S SALES PRICE.

SEC. 204. That for the purpose of this title the exporter's sales price of imported merchandise shall be the price at which such merchandise is sold or agreed to be sold in the United States before or after the time of importation, by or for the account of the exporter, including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less (1) the amount, if any, included in such price attributable to any costs, charges, United States import duties, and expenses incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, (2) the amount of the commissions, if any, for selling in the United States the particular merchandise under consideration, (3) an amount equal to the expenses, if any, generally incurred by or for the account of the exporter in the United States in selling identical or substantially identical merchandise, and (4) the amount of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller in respect to the manufacture, production, or sale of the merchandise, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States.

FOREIGN MARKET VALUE.

SEC. 205. That for the purposes of this title the foreign market value of imported merchandise shall be the price, at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to purchasers in the principal markets of the country from which exported in the usual wholesale quantities and in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition packed ready for shipment to the United States, except that in the case of merchandise purchased or agreed to be purchased by the person by whom or for whose account the merchandise is imported prior to the time of exportation, the foreign market value shall be ascertained as of the date of such purchase or agreement to purchase.

COST OF PRODUCTION.

SEC. 206. That for the purposes of this title the cost of production of imported merchandise shall be the sum of—

(1) The cost of materials of, and of fabrication, manipulation, or other process employed in manufacturing or producing identical or substantially identical merchandise at a time preceding the date of shipment of the particular merchandise under consideration which would ordinarily permit the manufacture or production of the particular merchandise under consideration in the usual course of business;

(2) The usual general expenses (not less than 10 per cent of such cost) in the case of identical or substantially identical merchandise;

(3) The cost of all containers and coverings and all other costs, charges, and expenses incident to placing the particular merchandise under consideration in condition, packed ready for shipment to the United States; and

(4) An addition for profits (not less than 8 per cent of the sum of the amounts found under paragraphs (1) and (2), equal to the profit which is ordinarily added in the case of merchandise of the same general character as the particular merchandise under consideration by manufacturers or producers in the country of manufacture or production who are engaged in the same general trade as the manufacturer or producer of the particular merchandise under consideration.

EXPORTER.

SEC. 207. That for the purposes of this title the exporter of imported merchandise shall be the person by whom or for whose account the merchandise is imported into the United States:

(1) If such person is the agent or principal of the exporter, manufacturer, or producer; or

(2) If such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business of the exporter, manufacturer, or producer; or

(3) If the exporter, manufacturer, or producer owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in any business conducted by such person; or

(4) If any person or persons, jointly or severally, directly or indirectly, through stock ownership or control or otherwise, own or control in the aggregate 20 per cent or more of the voting power or control in the business carried on by the person by whom or for whose account the merchandise is imported into the United States, and also 20 per cent or more of such power or control in the business of the exporter, manufacturer, or producer.

OATHS AND BONDS ON ENTRY.

SEC. 208. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and delivery of which has not been made by the collector before such finding has been so made public, unless the person by whom or for whose account such merchandise is imported makes oath before the collector, under regulations prescribed by the Secretary, that he is not an exporter, or unless such person declares under oath at the time of entry, under regulations prescribed by the Secretary, the exporter's sales price of such merchandise, it shall be unlawful for the collector to deliver the merchandise until such person has made oath before the collector, under regulations prescribed by the Secretary, that the merchandise has not been sold or agreed to be sold by such person, and has given bond to the collector, under regulations prescribed by the Secretary, with sureties approved by the collector, in an amount equal to the estimated value of the merchandise, conditioned: (1) That he will report to the collector the exporter's sales price of the merchandise within 30 days after such merchandise has been sold or agreed to be sold in the United States, (2) that he will pay on demand from the collector the amount of special dumping duty, if any, imposed by this title upon such merchandise, and (3) that he will furnish to the collector such information as may be in his possession and as may be necessary for the ascertainment of such duty, and will keep such records as to the sale of such merchandise as the Secretary may by regulation prescribe.

DUTIES OF APPRAISERS.

SEC. 209. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no report to the collector before such finding has been so made public, it shall be the duty of each appraiser or person acting as appraiser, by all reasonable ways and means to ascertain, estimate, and appraise (any invoice or affidavit thereto or statement of cost of production to the contrary notwithstanding) and report to the collector the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and any other facts which the Secretary may deem necessary for the purposes of this title.

APPEALS AND PROTESTS.

SEC. 210. That for the purposes of this title the determination of the appraiser or person acting as appraiser as to the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and the action of the collector in assessing special dumping duty, shall have the same force and effect and be subject to the same right of appeal and protest, under the same conditions and subject to the same limitations; and the general appraisers, the Board of General Appraisers, and the Court of Customs Appeals shall have the same jurisdiction, powers, and duties in connection with such appeals and protests as in the case of appeals and protests relating to cutoms duties under existing law.

DRAWBACKS.

SEC. 211. That the special dumping duty imposed by this title shall be treated in all respects as regular customs duties within the meaning of all laws relating to the drawback of customs duties.

SHORT TITLE.

SEC. 212. That this title may be cited as the "Antidumping act, 1921."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment to insert Title II, beginning on page 16 of the bill.

Mr. SIMMONS. Upon that I demand the yeas and nays.

Mr. REED. Before that vote is taken I desire to reserve the right to offer in the Senate for a separate vote the amendment which I offered this morning.

The PRESIDING OFFICER. The request of the Senator from Missouri is not necessary. He has that right. The Senator from North Carolina demands the yeas and nays on the committee amendment—Title II.

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

Mr. EDGE (when his name was called). Making the same announcement as to my pair and transfer, I vote "yea."

Mr. McCUMBER (when Mr. PENROSE's name was called). The senior Senator from Pennsylvania has been called away from the Chamber for a short time. He has a general pair with the senior Senator from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS (when his name was called). I am paired with the senior Senator from Pennsylvania [Mr. PENROSE], who is prevented from being present at this moment. I transfer my pair to the Senator from Kentucky [Mr. STANLEY] and vote "yea."

The roll call was concluded.

Mr. CURTIS. I wish to announce that the Senator from Massachusetts [Mr. LODGE] is paired with the Senator from Alabama [Mr. UNDERWOOD].

Mr STANLEY. On this vote I am paired with the senior Senator from Pennsylvania [Mr. PENROSE] by transfer. That Senator is temporarily absent. If permitted to vote, I should vote "yea."

Mr. HARRISON. I wish to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is necessarily absent on account of a death in his family. He is paired with the Senator from Massachusetts [Mr. LODGE]. On the pending question the Senator from Alabama, if present, would vote "yea."

The result was announced—yeas 84, nays 2, as follows:

YEAS—84.

Ashurst	Gerry	McCumber	Sheppard
Ball	Glass	McKinley	Shields
Borah	Gooding	McLean	Shortridge
Brandegee	Hale	McNary	Simmons
Broussard	Harreld	Moses	Smith
Bursum	Harris	Myers	Smoot
Calder	Harrison	Nelson	Spencer
Cameron	Heflin	New	Stanfield
Capper	Johnson	Newberry	Sterling
Caraway	Jones, N. Mex.	Nicholson	Sutherland
Colt	Jones, Wash.	Norbeck	Swanson
Cummins	Kellogg	Norris	Townsend
Curtis	Kendrick	Oddie	Trammell
Dial	Kenyon	Overman	Wadsworth
Dillingham	Keyes	Phipps	Walsh, Mass.
Edge	King	Pittman	Walsh, Mont.
Elkins	Knox	Poindexter	Warren
Ernst	Ladd	Pomerene	Watson, Ind.
Fernald	La Follette	Ransdell	Williams
Fletcher	Lenroot	Reed	Willis
Frelinghuysen	McCormick	Robinson	Wolcott

NAYS—2.

Hitchcock	McKellar

NOT VOTING—10.

Culberson	Owen	Stanley	Watson, Ga.
France	Page	Underwood	Weller
Lodge	Penrose		

So the committee amendment inserting Title II was agreed to.

Mr. SIMMONS. Mr. President, I would not have called for the yeas and nays on the proposition just pending if I had understood what we were about to vote on. I think we all do prefer the Senate substitute for the House provision, because it is a very great improvement over it. Of course, when we come to vote upon the final adoption of the substitute, I think that many of us, all of us on this side of the Chamber, will reverse our votes.

Mr. HARRISON. Mr. President, I understand I have a right to offer an amendment when the bill gets into the Senate on the proposition just under discussion. I reserve that right, at any rate.

The VICE PRESIDENT. The right will be reserved. The question is on agreeing to so much of the committee amendment as proposes the insertion of a new title to be known as Title III.

The amendment was agreed to, as follows:

TITLE III.—ASSESSMENT OF AD VALOREM DUTIES.

SEC. 301. That whenever merchandise which is imported into the United States is subject to an ad valorem rate of duty or to a duty based upon or regulated in any manner by the value thereof, duty shall in no case be assessed on a value less than the export value of such merchandise.

EXPORT VALUE.

SEC. 302. That for the purposes of this title the export value of imported merchandise shall be the price, at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade, for exportation to the United States, including the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price, attributable to any costs, charges, United States import duties, and expenses incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, and plus, if not included in such price, the amount of any export tax imposed by the country of exportation on merchandise exported to the United States.

REFERENCES TO "VALUE" IN EXISTNG LAW.

SEC. 303 (a). That wherever in Title I of this act, or in the tariff act of 1913, as amended, or in any law of the United States in existence at the time of the enactment of this act relative to the appraisement of imported merchandise (except secs. 2874, 2976, and 3016 of the Revised Statutes, and sec. 801 of the revenue act of 1916), reference is made to the value of imported merchandise (irrespective of the particular phraseology used and irrespective of whether or not such phraseology is limited or qualified by words referring to country or port of exportation or principal markets) such reference shall, in respect to all merchandise imported on or after the day this act takes effect, be construed to refer, except as provided in subdivision (b), to actual market value as defined by the law in existence at the time of the enactment of this act, or to export value as defined by section 302 of this act, whichever is higher.

(b) If the rate of duty upon imported merchandise is in any manner dependent upon the value of any component material thereof, such value shall be an amount determined under the provisions of the tariff act of 1913, as in force prior to the enactment of this act.

DEFINITIONS.

SEC. 304. That when used in this title the term "tariff act of 1913" means the act entitled "An act to reduce tariff duties and provide revenue for the Government, and for other purposes," approved October 3, 1913.

The VICE PRESIDENT. The question now is on agreeing to so much of the committee amendment as proposes the insertion of a new title to be known as Title IV.

The amendment was agreed to, as follows:

TITLE IV.—GENERAL PROVISIONS.

STATEMENTS IN INVOICE.

SEC. 401. That all invoices of imported merchandise, and all statements in the form of an invoice, in addition to the statements required by law in existence at the time of the enactment of this act, shall contain such other statements as the Secretary may by regulation prescribe, and a statement as to the currency in which made out, specifying whether gold, silver, or paper.

STATEMENTS AT TIME OF ENTRY.

SEC. 402. That the owner, importer, consignee, or agent, making entry of imported merchandise, shall set forth upon the invoice, or statement in the form of an invoice, and in the entry, in addition to the statements required by the law in existence at the time of the enactment of this act, such statements, under oath if required, as the Secretary may by regulation prescribe.

CONVERSION OF CURRENCY.

SEC. 403. (a) That section 25 of the act of August 27, 1894, entitled "An act to reduce taxation, to provide revenue for the Government, and for other purposes," is amended to read as follows:

"SEC. 25. That the value of foreign coin as expressed in the money of account of the United States shall be that of the pure metal of such coin of standard value; and the values of the standard coins in circulation of the various nations of the world shall be estimated quarterly by the Director of the Mint and be proclaimed by the Secretary of the Treasury quarterly on the 1st day of January, April, July, and October in each year."

(b) For the purpose of the assessment and collection of duties upon merchandise imported into the United States on or after the day of the enactment of this act, wherever it is necessary to convert foreign currency into currency of the United States, such conversion, except as provided in subdivision (c), shall be made at the values proclaimed by the Secretary under the provisions of section 25 of such act of August 27, 1894, for the quarter in which the merchandise was exported.

(c) If no such value has been proclaimed, or if the value so proclaimed varies by 5 per cent or more from a value measured by the buying rate in the New York market at noon on the day of exportation, conversion shall be made at a value measured by such buying rate. For the purposes of this subdivision such buying rate shall be the buying rate for cable transfers payable in the foreign currency so to be converted; and shall be determined by the Federal reserve bank of New York and certified daily to the Secretary, who shall make it public at such times and to such extent as he deems necessary. In ascertaining such buying rate such Federal reserve bank may in its discretion (1) take into consideration the last ascertainable transactions and quotations, whether direct or through the exchange of other currencies, and (2) if there is no market buying rate for such cable transfers, calculate such rate from actual transactions and quotations in demand or time bills of exchange.

(d) Sections 2903 and 3565 of the Revised Statutes are repealed.

(e) Section 25 of such act of August 27, 1894, as in force prior to the enactment of this act, and section 2903 of the Revised Statutes, shall remain in force for the assessment and collection of duties on merchandise imported into the United States prior to the day of the enactment of this act.

INSPECTION OF EXPORTER'S BOOKS.

SEC. 404. That if any person manufacturing, producing, selling, shipping, or consigning merchandise exported to the United States fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the market value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation into the United States of merchandise manufactured, produced, sold, shipped or consigned by such person, and (2) may instruct the collectors to withhold delivery of merchandise manufactured, produced, sold, shipped or consigned by such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

INSPECTION OF IMPORTER'S BOOKS.

SEC. 405. That if any person importing merchandise into the United States or dealing in imported merchandise fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation of merchandise into the United States by or for the account of such person, and (2) shall instruct the collectors to withhold delivery of merchandise imported by or for the account of such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

DEFINITIONS.

SEC. 406. That when used in Title II or Title III or in this title—

The term "person" includes individuals, partnerships, corporations, and associations; and

The term "United States" includes all Territories and possessions subject to the jurisdiction of the United States, except the Philippine Islands, the Virgin Islands, the islands of Guam and Tutuila, and the Canal Zone.

RULES AND REGULATIONS.

SEC. 407. That the Secretary shall make rules and regulations necessary for the enforcement of this act.

The VICE PRESIDENT. The next question is upon agreeing to so much of the committee amendment as proposes the insertion of a new title, to be known as Title V.

Mr. SMOOT and Mr. ASHURST called for the yeas and nays, and they were ordered.

The reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement as to the transfer of my pair as on the previous vote, I vote "yea."

Mr. McCUMBER (when the name of Mr. PENROSE was called). I again announce the necessary absence from the Chamber of the senior Senator from Pennsylvania [Mr. PENROSE]. He has a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. Were he present, the senior Senator from Pennsylvania would vote "yea."

The roll call was concluded.

Mr. HARRISON. The senior Senator from Mississippi [Mr. WILLIAMS] is unavoidably absent. He has a general pair with the senior Senator from Pennsylvania [Mr. PENROSE]. If he were present, the senior Senator from Mississippi would vote "nay."

I wish also to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is paired with the Senator from Massachusetts [Mr. LODGE]. On the pending question the Senator from Alabama, if present, would vote "nay."

The result was announced—yeas 61, nays 25, as follows:

YEAS—61.

Ashurst	Frelinghuysen	McKellar	Shortridge
Ball	Glass	McKinley	Simmons
Brandegee	Gooding	McLean	Spencer
Broussard	Hale	McNary	Stanfield
Bursum	Harreld	Nelson	Sterling
Cameron	Heflin	New	Sutherland
Capper	Johnson	Newberry	Swanson
Colt	Jones, N. Mex.	Nicholson	Townsend
Cummins	Jones, Wash.	Norris	Wadsworth
Curtis	Kellogg	Oddie	Warren
Dillingham	Kendrick	Overman	Watson, Ind.
Edge	Knox	Phipps	Willis
Elkins	Ladd	Poindexter	Wolcott
Ernst	Lenroot	Ransdell	
Fernald	McCormick	Robinson	
France	McCumber	Sheppard	

NAYS—25.

Borah	Harrison	Myers	Trammell
Caraway	Hitchcock	Pittman	Walsh, Mass.
Culberson	Kenyon	Pomerene	Walsh, Mont.
Dial	Keyes	Shields	Watson, Ga.
Fletcher	King	Smith	
Gerry	La Follette	Smoot	
Harris	Moses	Stanley	

NOT VOTING—10.

Calder	Owen	Reed	Weller
Lodge	Page	Underwood	Williams
Norbeck	Penrose		

So Title V of the committee amendment was agreed to, as follows:

TITLE V.—DYES AND CHEMICALS.

SEC. 501. (a) That on and after the day following the enactment of this act, for the period of six months, no sodium nitrite, no dyes or dyestuffs, including crudes and intermediates, no product or products derived directly or indirectly from coal tar (including crudes, intermediates, finished or partly finished products, and salts, derivatives and compounds of such coal-tar products), and no synthetic organic drugs or synthetic organic chemicals, shall be admitted to entry or withdrawn from customs custody in the United States or in any of its possessions unless the Secretary determines that such article or a satisfactory substitute therefor is not obtainable in the United States or in any of its possessions in sufficient quantities and on reasonable terms as to quality, price, and delivery, and that such article in the quantity to be admitted is required for consumption by an actual consumer in the United States or in any of its possessions within six months after receipt of the merchandise.

(b) Upon the day following the enactment of this act the War Trade Board Section of the Department of State shall cease to exist; all clerks and employees of such War Trade Board Section shall be transferred to and become clerks and employees of the Treasury Department, and all books, documents, and other records relating to such dye and chemical import control of such War Trade Board Section shall become books, documents, and records of the Treasury Department. All individual licenses issued by such War Trade Board Section prior to the enactment of this act shall remain in effect during the period of their validity, and the importations under such licenses shall be permitted. All unexpended funds and appropriations for the care and maintenance of such War Trade Board Section shall become funds and appropriations available to be expended by the Secretary in the exercise of the power and authority conferred upon him by this section.

SEC. 502. That this title may be cited as the "dye and chemical control act, 1921."

Mr. KING. Mr. President, I reserve the right to ask for a separate vote in the Senate on the amendment which has just been adopted.

The VICE PRESIDENT. The consideration of the committee amendment, so far as the Committee of the Whole is concerned, is completed. The bill is still before the Senate as in Committee of the Whole and open to an amendment.

Mr. SIMMONS. Mr. President, I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator from North Carolina will state it.

Mr. SIMMONS. My understanding is that we have now voted on the Senate committee substitute by title.

The VICE PRESIDENT. We have.

Mr. SIMMONS. Is it not now proper to vote upon the Senate committee substitute as a whole?

The VICE PRESIDENT. That is not now necessary.

Mr. SIMMONS. The Chair holds that that is unnecessary?

The VICE PRESIDENT. He does.

Mr. SIMMONS. Mr. President, I wish to say that so far as this side of the Chamber is concerned, those of us who have voted for the Senate committee substitute did so not because we are in favor of that substitute, but because we thought it was better than the provision of the bill as it came from the House. However, we shall have an opportunity on the final vote of voting against the substitute, together with the other provisions of the bill.

Mr. KING. Mr. President, I had hoped to have the opportunity of discussing somewhat at length the provisions of this bill placing an embargo upon dyes, but I could not obtain the floor without interfering with others, so was unable to do so. In the few minutes permitted under the rule, I shall attempt no discussion of the bill, and will content myself with referring to one or two questions involved in the provision just mentioned. I express my keen disappointment at the attitude of Republican Senators with respect to a policy which I believe to be wrong, and also express my sincere regret that some Members upon this side of the aisle are giving support to a proposition which I regard as vicious and un-American. Whatever might have been said three or four years ago in favor of a tariff on dyes would not be justified under present conditions. In 1913, as well as in 1916, the advocates of tariff duties upon dyes asked for no embargo and expressed satisfaction with reasonable duties limited to a few years, alleging that at the end of that period the industry would be so far developed that it could meet any foreign competition.

The domestic dye industry has grown to large proportions. In 1919 the production of coal-tar dyes amounted to more than 63,000,000 pounds. The exports of dyestuffs from the United States for the year 1920 amounted to more than $33,000,000. In 1914 the total imports of dyestuffs exceeded 45,000,000 pounds. We are now producing in the United States 40 per cent more of coal-tar dyes than were imported in 1914 or prior to that year. The quantity of dyes produced in the United States in 1920 exceeded the quantity produced in 1919 and comprehends a much more extensive variety. The imports of dyes for the fiscal year 1920 amounted to only three and one-half million pounds. So prosperous has been the dye industry in the United States that millions of dollars of profits have been realized. The prices charged by the domestic producers have reached, I was about to say, extortionate proportions. The American consumer has been compelled to submit to the outrageous demand of what I submit the evidence shows is a monopoly. This monopoly seeks to perpetuate its power, to increase its profits, and to hold the consumer of dyestuffs in the United States absolutely at its mercy.

By some it is contended that this legislation is necessary as a means of national defense, and the Senator from Pennsylvania [Mr. KNOX], who is the sponsor for the amendment now before us, justified its enactment by pointing to the roster of American soldiers who gave their lives upon the battle fields of Europe. Their dead bodies are to be the rampart behind which he defends what I believe to be a monopoly. Mr. President, in my opinion, the facts do not support those who advance this argument, but time does not permit a presentation of the facts relating to this matter.

Recently there has been promulgated by the Department of State a regulation which more effectually places the dye manufacturers in control of the American market. Not satisfied with a licensing feature which excludes nearly all foreign dyes, it is planned to place in the hands of the domestic producers, or an organization which responds to their views, the determination of the question as to whom licenses to import shall be issued. The power to refuse licenses, I submit, is found in the plan which now obtains and which this bill will continue.

The regulation mentioned is in part as follows:

In each case, therefore, before applying for license to import or causing application for such license to be made by an importing agent the intending consumer should ascertain, through the American Dyes Institute, No. 320 Broadway, New York City, N. Y., whether or not goods similar to those desired to be imported, or some satisfactory substitute therefor, is or are obtainable from domestic sources on reasonable terms as above, and should state that he has made such inquiry. Applications for license to import dyes, dyestuffs, or crudes or intermediates entering into the production or manufacture thereof which are of enemy make will not be considered unless in each case the accompany-

ing consumer's statement and guaranty show exactly wherein the goods therein listed fail to meet the intending consumer's particular manufacturing requirements.

And so forth.

We not only have a dye monopoly but we propose, if this amendment is adopted, to continue war legislation for an additional period. The Republican Party denounced the last administration for continuing after the armistice legislation which was the product of the war, and pledges were made that the Republican Party would immediately repeal all war legislation. Now promises are forgotten and the dyestuff industry secures legislation which enables it to enforce war measures in peace time in order that its profits may be increased and its powers strengthened.

Mr. KENYON. Mr. President, may I ask the Senator a question?

Mr. KING. I yield.

Mr. KENYON. I observe that a certain portion of the votes for this monopoly by tariff came from the Democratic side of the Chamber. After talking so many years for a tariff for revenue only, is the Senator prepared now to say that a large portion of his party at least will support tariff for monopoly in this Chamber just because President Wilson may have recommended it?

Mr. KING. Mr. President, unfortunately I can not speak for the Democratic Party, but speaking for myself I can only express my disagreement with what Mr. Wilson stated upon the question of a tariff for dyestuffs, and my profound regret over the support given by some Democrats to this provision, which is more than a tariff provision, but is equivalent to an absolute embargo, the result of which will be to strengthen a monopoly which not only needs no embargo but little if any tariff in order that it may enjoy legitimate prosperity.

In my opinion, Democrats can find no justification for supporting a licensing feature in times of peace and an embargo that will operate to swell the earnings of corporations engaged in an industry which now has undisputed control of domestic markets. It is an abandonment, in my opinion, of the traditional policy of the party, and will prove an embarrassment to the Democrats when they come to consider future revenue and tariff measures. There may have been some justification for President Wilson's advocacy of a tariff on dyes a number of years ago, but I respectfully submit that the position of President Wilson taken then does not support a policy calculated to entrench a monopoly in the United States which would oppress and plunder the people. If the Democratic Party should join hands with Republicans to enact legislation such as Republicans have enacted in the past, under which trusts and monopolies were developed, it would have no right to ask for the confidence and support of the American people. In my opinion, one of the great issues before the American people is whether or not monopolies and trusts and combines shall rule and control our political as well as our economic life. Never in the history of the Republic have trusts and monopolies been more arrogant, sinister, and oppressive than they are at the present time.

Mr. BORAH. Mr. President——

Mr. KING. I yield to the Senator.

Mr. BORAH. I think we ought to have an agreement that when we discuss the tariff question we shall not refer to either the Republican or Democratic Party. The terms signify nothing at all.

Mr. KING. Mr. President, I hope that what the Senator says is not true, but I am afraid there is too much truth in his statement. When revenue and tariff questions are presented it seems as though party lines disappear. I submit there is too much selfishness and sectionalism in the consideration of legislation of this character. Special interests and corporations affected by tariff legislation become powerful propagandists in favor of measures and policies inuring to their advantage. It has been said, and I think with truth, that protected interests, corporations, and trusts have in subtle and insidious ways poisoned the minds of many and attempted to secure legislation beneficial to them and harmful to the American public. I believe that manufacturing and other interests are now directly or indirectly seeking to secure legislation which will permit them to impose burdens upon the American consumer. Selfish interests are clamoring for legislation that will prevent competition and enable them to control prices and secure inordinate profits. There should be an investigation, in my opinion, of the activities of interests—corporations, associations, and so forth—directed toward securing Federal legislation. There should be an investigation of the dye industry. We should know whether it is a monopoly. We should secure the evidence referred to by the Senator from New Hampshire [Mr. MOSES] in his speech a few days ago, in which attention was directed to the large sums spent by the dye industry for propaganda purposes and clearly for the purpose of influencing legislation. I shall offer a resolution to-morrow asking for an investigation of the dye industry, of its efforts to secure legislation, as well as other corporations, monopolies, and industries, and what, if any, efforts they have put forth to secure tariff or other legislation from which they might obtain pecuniary or other benefits.

Mr. FRELINGHUYSEN. Mr. President, I send to the desk an amendment, which I offer and ask to have read.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 3, line 24, after the word "pound," it is proposed to insert the following:

Except such wools as were purchased abroad prior to April 1, 1921, by individuals, firms, or corporations here for importation into the United States.

Mr. FRELINGHUYSEN. Mr. President, I simply wish to explain briefly the object of the amendment, if I may do so.

There is in my State a gentleman who is engaged in the importation of wool, and he had engaged to import from South America on March 14 a large quantity of wool which was sold to various concerns in New York, and the shipment of it from Buenos Aires has been delayed on account of strikes. I do not know how much other wool there is outside of this country awaiting shipment to this country, but I do know that the immediate effect of the enactment of this emergency tariff will be, in my opinion, to impose an unjust burden on that importer and other importers who had engaged to import these wools prior to the enactment of this legislation.

Mr. ASHURST. Mr. President, will the Senator yield? How many pounds of wool does the amendment cover?

Mr. FRELINGHUYSEN. I am going to get to that, and give all the facts to the Senate, and let it rest with the Senate whether or not they wish to impose this injustice by enacting legislation which practically penalizes those who engaged this wool prior to the enactment of the law.

There were 3,000,000 pounds of mercerized wool, I believe it is called——

Mr. SMOOT. Carbonized wool. A gentleman told me it was carbonized.

Mr. FRELINGHUYSEN. Three million pounds of carbonized wool. I see that the Senator from Utah is very familiar with the wool question.

Mr. BORAH. Mr. President, the Senator from New Jersey is affording a great deal of consolation to those of us who are supporting this bill. I have been of the opinion that all wool had arrived, but this is the first ray of hope I have had that it would be of any real benefit to the American wool raiser.

Mr. FRELINGHUYSEN. I am very glad the Senator from Idaho is in accord with any tariff legislation. This purchase is 3,000,000 pounds of so-called carbonized wool, purchased at 54 cents a pound, at a cost of $1,620,000. The tariff imposes a duty of 45 cents, which will make that wool cost, in addition, $1,350,000. Now, I claim that in addition to that there are 2,000,000 pounds of other wools engaged to be brought in at a cost of $280,000, and the duty imposes on those wools an additional burden of $300,000.

This wool was engaged for shipment prior to this legislation, and yet this legislation imposes a burden of nearly 150 per cent upon the importers who have engaged that wool for shipment.

Mr. WARREN. Mr. President, may I ask the Senator a question?

Mr. FRELINGHUYSEN. I yield to the Senator from Wyoming.

Mr. WARREN. Is it not a matter of fact that the one or two parties who are speculators in wool have had the information that the whole country has had, that this legislation has been imminent for nearly six months? Is there any reason why they should not take the same chances of "running the blockade" that the importers of other goods should take?

As a matter of fact, I may say to the Senator, if he will allow me just a word or two—because I do not wish to infringe upon his time—any good that this bill might do to the sheepmen, the woolgrowers, of course, would be carried away by an amendment of this kind. It is not expected that this emergency bill itself is going to do the woolgrowers very much good, except that it may cause a discontinuance of the dumping of wool into this country until there may be some more perfect tariff legislation to follow. I think this legislation, with all the respect and love I have for the Senator proposing it, is, I might say, most imprudent on the part of the men who ask this particular privilege now.

Mr. FRELINGHUYSEN. The situation is this: This wool was purchased prior to this legislation. There was no notice of its impending passage; in fact, the impression was gained that this legislation was not going to pass. On March 14 this wool

was engaged for shipment, and now you impose a burden of 150 per cent upon that wool that was engaged prior to this legislation. I think the amendment is perfectly fair and just, and I think it should be adopted.

Mr. ASHURST. Mr. President, if I understand the amendment of the Senator from New Jersey correctly, it proposes that there shall be admitted some 70,000,000 pounds of wool.

Mr. FRELINGHUYSEN. Is the Senator asking me a question?

Mr. ASHURST. I should like to know how many pounds of wool it is estimated will be imported under this amendment without duty?

Mr. FRELINGHUYSEN. Three million pounds of carbonized wools and 2,000,000 pounds of other wools.

Mr. SMOOT. But, Mr. President, that applies only to this one firm.

Mr. ASHURST. It is obvious that under this amendment some seventy or eighty million pounds of wool will be imported immediately.

Mr. FRELINGHUYSEN. Mr. President, may I interrupt the Senator to say that only such wools as were engaged prior to April 1 may be imported.

Mr. ASHURST. So I perceive. Mr. President, we are proceeding upon the hypothesis that this is a bill to assist the farmer, the cattle raiser, and the woolgrower. How can you assist the woolgrower by importing 70,000,000 pounds of wool to come into competition with his clip grown under extra heavy expense?

My able and redoubtable friend from Utah [Mr. KING] stood his ground, opposed to any duties on dyestuffs. In the case of this provision under Title V, upon which we voted a moment ago, relating to dyestuffs, some challenge was flung at Democrats for voting for a high duty on dyestuffs. The most eminent low-tariff man the world ever produced, outside of the English low-tariff statesmen, sent a wireless message to Congress from Paris urging a protective wall upon dyestuffs so high that none could come in. The former leader of the Democratic Party, Woodrow Wilson, sent the following message to Congress by wireless on May 20, 1919:

> Nevertheless, there are parts of our tariff system which need prompt attention. The experiences of the war have made it plain that in some cases too great reliance on foreign supply is dangerous, and that in determining certain parts of our tariff policy domestic considerations must be borne in mind which are political as well as economic. Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war became the interruption of trade a cause of exceptional economic distress. The close relation between the manufacture of dyestuffs on the one hand and of explosives and poisonous gases on the other, however, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in any program of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well-equipped chemical plants. The German chemical industry, with which we will be brought into competition, has and may well be again thoroughly knit monopoly capable of exercising a competition of a peculiarly insidious and dangerous kind.

Mr. KING. Mr. President——

Mr. ASHURST. I have only a minute. I can not yield. Where is there a high-tariff man who ever made a stronger argument than that? Let him stand up if there be one. Did former Senator Aldrich or former Representative Payne ever make a stronger argument for a high protective tariff than did President Wilson when he urged Congress to place a tariff on dyestuffs and its related chemicals?

What does all this prove? It proves that which the Democrats have always said, to wit, that the tariff is not a political question. The Republicans insist it is. Mr. Cox, in his campaign, when he reached California said, "I am for a tariff on lemons." Mr. Wilson wired from Paris that he must have a high protective tariff, yea, an embargo, on dyestuffs.

The tariff question is a logical question, a business question, which moves us. We do not move it. The country is going to demand that the tariff question shall no longer be made a political question, because it is a business question only.

If you have a protective tariff on the manufactured article you should also have a tariff on the products of the farm, the field, and the ranch. That is why I have voiced the ears of my friends here in urging a tariff on the long staple cotton. The amendment I offer provides that the tariff on long-staple cotton shall be 20 cents a pound, because the Egyptian laborer can lay the cotton down in New England for 20 cents a pound and it costs the American farmer 50 cents a pound to produce it.

We say with Jefferson, we say with Jackson, equal rights to all and special privileges to none. Your philosophy of putting the manufactured article under a high protective tariff and the products of the farm, the field, and the ranch on the free list is a gross and unjust discrimination against the farmer. That will be one of the issues soon to come before the people. The farmer must subsist our Nation. The woolgrower and the cattle grower must clothe our Nation.

How are they going to clothe and subsist our Nation if your solicitude is for the Egyptian laborer and the German manufacturer of chemicals and dyestuffs?

The Republican Party after the Civil War shrewdly saw an opportunity to capitalize the tariff question, forgetting that Andrew Jackson stood for a tariff on raw materials; Randall stood for a tariff on raw materials; Walker stood for a tariff on raw materials; and Jefferson stood for a tariff on raw materials. The great Democrats who laid deep and strong the foundations of the Democratic Party said that if you have a tariff on the manufactured article you must also have a tariff on the raw materials, but it has grown in the last few years to be a sort of a heresy for a Democrat to demand that his own constituency be dealt with equally with other constituencies.

Mr. GERRY. Mr. President, I offer the following amendment and reserve the right to a vote on it in the Senate.

Mr. SMOOT. There is an amendment pending now, not yet disposed of.

Mr. GERRY. I simply want to offer the amendment, under the unanimous-consent agreement, before 3 o'clock, and reserve my rights.

In regard to the amendment I have offered, I want to say that its purpose is to prevent any special duty being placed on articles on the free list. Under the special dumping provision of the bill it is possible for the Secretary of the Treasury in certain cases to put a tax on articles which are now on the free list. It seems to me perfectly ridiculous that it should be considered for one minute that a tariff should be placed on merchandise on the free list when the whole idea of the free list is to have those commodities on it come into this country as cheaply as possible and not put them into any special class which shall be subject to taxation and which would raise their price to the consumer.

Mr. SMOOT. Mr. President, I shall not take much of the time of the Senate in discussing the amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN]. I am quite sure that if we wanted to destroy the protection that is to be afforded by this bill, no better way could be devised than to adopt the amendment offered by the Senator from New Jersey.

I am informed that there are least 70,000,000 pounds of wool on the waters to-day, which had been contracted for, no doubt, before April 1.

Mr. FRELINGHUYSEN. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from New Jersey?

Mr. SMOOT. I yield.

Mr. FRELINGHUYSEN. Has the Senator any evidence of that which he can produce?

Mr. SMOOT. I have not the information here on my desk. I did not expect such an amendment to come up, or I would have had it.

Mr. FRELINGHUYSEN. If the Senator will allow me to interrupt him again, I should like to have some evidence of the fact that there are 70,000,000 pounds of wool on the way here. I understand that is not so.

Mr. SMOOT. Mr. President, I have only about five minutes and I will withdraw the statement if the Senator wishes and confine myself to the statement made by the Senator that there are 5,300,000 pounds of wool affected which are expected to reach here without any duty being collected upon that wool.

Mr. FRELINGHUYSEN. Mr. President——

Mr. SMOOT. This I do know, Mr. President, that there is wool enough in the United States to-day, if not another pound comes in, together with this season's clip, to last the American manufacturers for at least two years. I am quite confident that the firm referred to by the Senator did as other importers did.

They knew very well an emergency bill was passed at the last session of Congress, and that in the closing days of the session it was vetoed by the President. There was not any doubt but that that bill would be introduced again, and no doubt the order was placed between the day the bill was vetoed by the President and the 1st day of April, and they took their chances of getting the wool in before the passage of this bill. As far as the pending amendment is concerned, it might as well apply to every item in the bill, and whatever duties are fixed in the bill will apply to other articles the same as we intended them to apply to wool, and I can not believe that the Senate will adopt the amendment.

Mr. HITCHCOCK. Mr. President, I wish to say a word in support of what was said by the Senator from Utah [Mr. KING] against this dyestuffs provision. It has been pretty thoroughly established by this time that there is in this country a

dyestuff monopoly. Two great combinations hold the country in their grip at this time in the manufacture of dyestuffs. They have an immense capital. They maintain at the Capital an expensive lobby. Their headquarters, known as the American Dye Institute, are located at 320 Broadway, and this legislation, if passed, is directly for the benefit of that monopoly. Even at the present time if anyone desires to import dyes into this country, he must go, under the orders of the State Department issued last month, to the offices of the American Dye Institute to ascertain whether he can procure from that monopoly at prices which they deem adequate the necessary dye which he desires for consumption.

Now it is proposed to put practically into the statutes of the United States, for the benefit of this dyestuff monopoly, what has heretofore existed as an administrative regulation. Do Senators realize the extent to which this has gone and the scandal which is growing out of it? The dyestuff industry in the United States at the present time is one of the powerful, rapidly growing industries of the United States, and you propose by this legislation to erect a wall around the United States and prevent any competition from coming into the United States against it.

This great monopoly not only has the American market entirely in its grip, both as to supply and prices, but this monopoly at the present time has a great foreign trade, a trade in dyestuffs which it is maintaining in the face of competition from all over the world.

This trade is rapidly growing. For the eight months ending with February of the present year this great monopoly of the United States, which is supposed to need an embargo as a protection against the rest of the world, exported $17,246,484 worth of goods sold to the rest of the world. Do Senators want to put into a law a provision that this monopoly shall be permitted to continue and fatten on the American people while it is selling its products in competition with German dyestuffs and other dyestuffs in other parts of the world?

Senators have voted here to-day against an amendment offered by the Senator from Missouri [Mr. REED], an amendment which was intended to provide that if an American manufacturer was selling his goods in a foreign market lower than those at which he sold to the American people the protection would be removed. Senators voted against that amendment. They went on record as unwilling to protect the American consumer. They went on record as perfectly willing that the American consumer should be required by a tariff to pay to these manufacturers prices higher than those at which they were selling to the people in foreign lands; and now, by this provision relating to dyestuffs, in a bill for which some Democrats have been voting to-day, you propose to erect practically an embargo and say to the manufacturers of German dyestuffs, "You can not sell your dyes to the American people as long as the American manufacturers are manufacturing those dyes," notwithstanding the fact that those same American manufacturers have been selling their dyes in other parts of the world to the extent of $17,000,000 during the last eight months.

It is possible, Mr. President, that the dominant party is ready to go on record to the American consumer with that statement. Possibly they are ready to incorporate in this bill an embargo to prevent the importation of any dyestuffs which this great monopoly, with headquarters at 320 Broadway, can manufacture and sell to the American people. I do not understand how even protectionist Senators can really be willing to put American manufacturers of goods which must use dyes under such a disadvantage. It seems to me, if I were a protectionist and wanted to encourage the development of American industries in the United States, even at the expense of the American consumer, I would at least object to putting an embargo on one of the very necessary articles which those American manufacturers consume.

But seemingly this dyestuff monopoly, with its millions of capital and with its rapidly growing domestic and foreign business as well, has hypnotized Senators and even secured the support of Democratic Senators for a provision which I deem to be one of the most infamous provisions ever inserted in a so-called protective tariff bill.

I do not believe it is possible that, when the final vote comes on this measure, Senators will deliberately give their support to the maintenance of a monopoly which has already become powerful enough to meet the competition of the world in other lands to the extent, as I have said, of $17,000,000 worth of American dye products during the last eight months. I presume that in the course of a year it will run to $25,000,000, for it is growing year by year. In the corresponding eight months of last year the American dyestuff foreign trade was only $15,000,000. The previous year it was $14,000,000; and it is growing more rapidly, possibly, than any other American industry in the United States, because most of our foreign trade is known to be on the decline at the present time.

Mr. KNOX. Mr. President——

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

Mr. HITCHCOCK. I yield the floor.

Mr. KNOX. I only wanted to observe that there is something entirely familiar in these lamentations of the Senator from Nebraska about the probability of the German monopoly in the most dangerous munitions that have ever been manufactured being interfered with by this bill. We remember that during the war, when the Germans had a monopoly of munitions and the Allies could not obtain munitions to fight the Huns the Senator from Nebraska advocated a bill to prevent the people of the United States from shipping munitions to the French and to the English and to the Italians, who were engaged in a death struggle with Germany for the preservation of civilization.

The VICE PRESIDENT. The time for debate on the bill and amendments has expired. The question is on the amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN].

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. SIMMONS. I rise for the purpose of discussing the amendment.

The VICE PRESIDENT. Under the unanimous-consent agreement the time for discussion has expired. It is now 3 o'clock.

Mr. REED. On the amendment I demand the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. ASHURST. Mr. President, I offer the amendment which I send to the desk and ask to have read.

The VICE PRESIDENT. The Secretary will report the amendment.

The ASSISTANT SECRETARY. On page 3, line 15, strike out the numeral "7" and insert "20," so that if amended it will read:

16. Cotton having a staple of 1⅛ inches or more in length, 20 cents per pound.

Mr. ASHURST. Upon that I respectfully ask for the yeas and nays.

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

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. McCUMBER (when the name of Mr. PENROSE was called). I again announce the necessary absence of the Senator from Pennsylvania from the Chamber. He has a pair with the senior Senator from Mississippi [Mr. WILLIAMS]. If the Senator from Pennsylvania were present, he would vote "nay."

Mr. WILLIAMS (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I regret very much that he is not able to be present at this moment. I transfer my pair to the Senator from Oklahoma [Mr. OWEN] and vote "nay."

The roll call was concluded.

Mr. EDGE. Following the announcement of the Senator from Mississippi [Mr. WILLIAMS], who has transferred his pair to the Senator from Oklahoma [Mr. OWEN], I will transfer my pair with the Senator from Oklahoma to the senior Senator from Pennsylvania [Mr. PENROSE], which permits me to vote. I vote "nay."

Mr. HARRISON. The senior Senator from Alabama [Mr. UNDERWOOD] is unavoidably out of the city on account of a death in his family. He is paired with the senior Senator from Massachusetts [Mr. LODGE] who on this vote has transferred his pair. If the Senator from Alabama were present, he would vote nay on the pending question.

Mr. EDGE (after having voted in the negative). The Senator from Pennsylvania [Mr. PENROSE] having entered the Chamber and voted, I am compelled under the circumstances of my transfer to withdraw my vote, which I do.

The result was announced—yeas 17, nays 74, as follows:

YEAS—17.

Ashurst	France	Jones, Wash.	Shortridge
Borah	Harris	Kendrick	Trammell
Bursum	Heflin	Pittman	
Cameron	Johnson	Ransdell	
Caraway	Jones, N. Mex.	Sheppard	

NAYS—74.

Ball	Hale	Moses	Spencer
Brandegee	Harreld	Myers	Stanfield
Broussard	Harrison	Nelson	Stanley
Calder	Hitchcock	New	Sterling
Capper	Kellogg	Newberry	Sutherland
Colt	Kenyon	Nicholson	Swanson
Culberson	Keyes	Norbeck	Townsend
Cummins	King	Norris	Wadsworth
Curtis	Knox	Oddie	Walsh, Mass.
Dial	Ladd	Overman	Walsh, Mont.
Dillingham	La Follette	Penrose	Warren
Elkins	Lenroot	Phipps	Watson, Ga.
Ernst	Lodge	Poindexter	Watson, Ind.
Fernald	McCormick	Pomerene	Weller
Fletcher	McCumber	Reed	Williams
Frelinghuysen	McKellar	Robinson	Willis
Gerry	McKinley	Simmons	Wolcott
Glass	McLean	Smith	
Gooding	McNary	Smoot	

NOT VOTING—5.

Edge	Page	Shields	Underwood
Owen			

So Mr. ASHURST's amendment was rejected.

Mr. GERRY. Mr. President, I ask that the amendment which I have sent to the desk may be reported.

The VICE PRESIDENT. The amendment is not in order at this time. It will have to be presented when the bill is in the Senate.

Mr. TRAMMELL. Mr. President, I send to the desk an amendment which I ask may be reported.

The VICE PRESIDENT. The amendment will be reported.

The ASSISTANT SECRETARY. On page 3, line 8, strike out the word "three-eighths" and insert in lieu thereof "one-eighth," so that if amended it will read:

16. Cotton having a staple of 1⅛ inches or more in length, 7 cents per pound.

Mr. TRAMMELL. On that I call for the yeas and nays.

Mr. HEFLIN. Let us have the yeas and nays on that.

The yeas and nays were ordered.

On a division, Mr. TRAMMELL's amendment was rejected.

Mr. TRAMMELL. Mr. President, I give notice that I will offer the same amendment in the Senate.

The VICE PRESIDENT. Notice is noted.

Mr. JONES of New Mexico. Mr. President, I send to the desk an amendment, and ask that it be read.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 3, after line 11, it is proposed to insert the following:

Sheep pelts, goatskins, and hides of cattle, raw or cured, whether dry, salted, or pickled, 5 cents per pound and 15 per cent ad valorem.

Mr. JONES of New Mexico. On that amendment I ask for the yeas and nays.

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

Mr. LODGE (when his name was called). Making the same announcement as to the transfer of my pair as on previous votes, I vote "nay."

The roll call was concluded.

Mr. HARRISON. I desire to announce that if the senior Senator from Alabama [Mr. UNDERWOOD] were present, he would vote "nay."

The result was announced—yeas 37, nays 49, as follows:

YEAS—37.

Ashurst	Harreld	Myers	Sheppard
Borah	Heflin	Nelson	Shields
Broussard	Jones, N. Mex.	Nicholson	Shortridge
Bursum	Jones, Wash.	Norbeck	Stanfield
Cameron	Kellogg	Norris	Sterling
Capper	Kendrick	Oddie	Trammell
Curtis	Kenyon	Pittman	Wadsworth
Fernald	Ladd	Poindexter	
Fletcher	La Follette	Ransdell	
France	McCormick	Robinson	

NAYS—49.

Ball	Glass	McNary	Swanson
Brandegee	Gooding	Moses	Townsend
Calder	Hale	New	Walsh, Mass.
Caraway	Harris	Newberry	Walsh, Mont.
Colt	Harrison	Overman	Warren
Culberson	Keyes	Penrose	Watson, Ga.
Cummins	King	Phipps	Watson, Ind.
Dial	Knox	Pomerene	Williams
Dillingham	Lenroot	Smith	Willis
Elkins	Lodge	Smoot	Wolcott
Ernst	McCumber	Spencer	
Frelinghuysen	McKellar	Stanley	
Gerry	McKinley	Sutherland	

NOT VOTING—10.

Edge	McLean	Reed	Weller
Hitchcock	Owen	Simmons	
Johnson	Page	Underwood	

So the amendment of Mr. JONES of New Mexico was rejected.

The VICE PRESIDENT. The bill is still before the Senate as in Committee of the Whole and open to amendment. If there be no further amendments proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The VICE PRESIDENT. The question is on concurring in the amendments made as in Committee of the Whole.

Mr. SIMMONS. I desire the yeas and nays on the passage of the bill.

Mr. REED. Mr. President, I understand that the final vote is about to be taken on the bill, and therefore, having reserved for a separate vote the amendment I offered as in Committee of the Whole, I now ask that the amendment be read to the Senate and that a separate vote be had.

The VICE PRESIDENT. The Secretary will state the amendment.

Mr. CURTIS. Mr. President, I rise to a question of order. Has the amendment agreed to as in Committee of the Whole been concurred in?

The VICE PRESIDENT. Not as yet.

Mr. CURTIS. Should we not vote on concurring in the amendment?

The VICE PRESIDENT. The bill is in the Senate, and the question is on concurring in the amendment made as in Committee of the Whole. Pending that the Senator from Missouri offers an amendment, which the Secretary will state.

The ASSISTANT SECRETARY. After section 202 as agreed to as in Committee of the Whole it is proposed to insert the following:

Whenever it is established to the satisfaction of the Secretary of the Treasury that merchandise upon which an import duty is levied by the United States is being commonly exported from the United States and is being commonly and generally sold in the countries to which exported at less than the same class or kind of merchandise is being generally sold or offered for sale in the United States, then the Secretary of the Treasury shall issue an order suspending and setting aside any import duty or tariff upon the importation of the same or similar articles of merchandise into the United States, said order to remain effective so long as the condition aforesaid exists.

Mr. REED. I ask for the yeas and nays on that amendment.

The yeas and nays were ordered.

Mr. BRANDEGEE. Mr. President, I make the point of order against the amendment that it is not in order at this time. The question is upon concurring in the amendment made as in Committee of the Whole, and then, if the amendment is concurred in, the bill is still in the Senate and open to further amendment.

The VICE PRESIDENT. The amendment offered by the Senator from Missouri is an amendment to the amendment reported by the committee, and therefore is in order.

Mr. BRANDEGEE. Very well.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). Not being able to secure a transfer of my pair, I am not at liberty to vote. If at liberty to vote, I should vote "nay."

Mr. LODGE (when his name was called). Making the same announcement as before, I vote "nay."

The roll call was concluded.

Mr. SIMMONS. On this question I am paired with the junior Senator from Minnesota [Mr. KELLOGG], and withhold my vote.

Mr. HARRISON. I wish to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is paired with the Senator from Massachusetts [Mr. LODGE]. On the pending question the Senator from Alabama, if present, would vote "yea."

The result was announced—yeas 40, nays 50, as follows:

YEAS—40.

Ashurst	Heflin	Norbeck	Smith
Borah	Hitchcock	Norris	Spencer
Caraway	Johnson	Overman	Stanley
Culberson	Jones, N. Mex.	Pittman	Swanson
Dial	Kendrick	Pomerene	Trammell
Fletcher	Kenyon	Ransdell	Walsh, Mass.
Gerry	King	Reed	Walsh, Mont.
Glass	La Follette	Robinson	Watson, Ga.
Harris	McKellar	Sheppard	Williams
Harrison	Myers	Shields	Wolcott

NAYS—50.

Ball	Fernald	McCumber	Shortridge
Brandegee	France	McKinley	Smoot
Broussard	Frelinghuysen	McLean	Stanfield
Bursum	Gooding	McNary	Sterling
Calder	Hale	Moses	Sutherland
Cameron	Harreld	Nelson	Townsend
Capper	Jones, Wash.	New	Wadsworth
Colt	Keyes	Newberry	Warren
Cummins	Knox	Nicholson	Watson, Ind.
Curtis	Ladd	Oddie	Weller
Dillingham	Lenroot	Penrose	Willis
Elkins	Lodge	Phipps	
Ernst	McCormick	Poindexter	

NOT VOTING—6.

Edge	Owen	Simmons	Underwood
Kellogg	Page		

So Mr. REED's amendment to the amendment made as in Committee of the Whole was rejected.

Mr. GERRY. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. In section 202, on page 17, line 7, after the word "imported," it is proposed to insert the word "dutiable"; and on line 8, to strike out the words "whether dutiable or free of duty," so that, if amended, the first part of the section will read:

SEC. 202. (a) That in the case of all imported dutiable merchandise of a class or kind as to which the Secretary has made public a finding—

And so forth.

Mr. GERRY. On that I ask for the yeas and nays.

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

Mr. EDGE (when his name was called). Not being able to secure a transfer, I am not at liberty to vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. LODGE. Making the same announcement as before, I vote "nay."

Mr. HARRISON. I wish to announce that if the senior Senator from Alabama [Mr. UNDERWOOD] were present, he would vote "yea."

The result was announced—yeas 33, nays 56, as follows:

YEAS—33.

Ashurst	Heflin	Ransdell	Trammell
Caraway	Hitchcock	Reed	Walsh, Mass.
Culberson	Jones, N. Mex.	Robinson	Walsh, Mont.
Dial	King	Sheppard	Watson, Ga.
Fletcher	McKellar	Shields	Williams
Gerry	Myers	Simmons	Wolcott
Glass	Overman	Smith	
Harris	Pittman	Stanley	
Harrison	Pomerene	Swanson	

NAYS—56.

Ball	Fernald	Lenroot	Phipps
Borah	France	Lodge	Poindexter
Brandegee	Frelinghuysen	McCormick	Shortridge
Broussard	Gooding	McCumber	Smoot
Bursum	Hale	McKinley	Spencer
Calder	Harreld	McNary	Stanfield
Cameron	Johnson	Moses	Sterling
Capper	Jones, Wash.	Nelson	Sutherland
Colt	Kellogg	New	Townsend
Cummins	Kendrick	Newberry	Wadsworth
Curtis	Kenyon	Nicholson	Warren
Dillingham	Keyes	Norris	Watson, Ind.
Elkins	Ladd	Oddie	Weller
Ernst	La Follette	Penrose	Willis

NOT VOTING—7.

Edge	McLean	Owen	Underwood
Knox	Norbeck	Page	

So Mr. GERRY'S amendment to the amendment made as in Committee on the Whole was rejected.

Mr. HARRISON. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will read the amendment.

The ASSISTANT SECRETARY. On page 26, line 13, insert the following proviso:

Provided, That the provisions of Title II of the pending bill shall not apply to barbed-wire fencing, plows, disk harrows, harvesters, reapers, agricultural drills, mowers, horserakes, cultivators, thrashing machines, cotton gins, wagons, carts, sewing machines, fertilizers of every kind and elements from which fertilizers are manufactured, jute, binding twine, cotton bagging, and agricultural implements of every character which are now on the free list, and when imported into the United States from any foreign country.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Mississippi to the amendment made as in Committee of the Whole.

Mr. HARRISON. On that I ask for the yeas and nays.

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

Mr. EDGE (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. LODGE (when his name was called). Announcing again the transfer of my pair with the senior Senator from Alabama [Mr. UNDERWOOD] to the junior Senator from Vermont [Mr. PAGE], I vote "nay."

The roll call was concluded.

Mr. MYERS. The Senator from Arizona [Mr. ASHURST] has been compelled to leave the Senate on official business. If present, he would vote "yea."

The result was announced—yeas 32, nays 53, as follows:

YEAS—32.

Caraway	Heflin	Pomerene	Stanley
Culberson	Hitchcock	Ransdell	Swanson
Dial	Jones, N. Mex.	Reed	Trammell
Fletcher	King	Robinson	Walsh, Mass.
Gerry	McKellar	Sheppard	Walsh, Mont.
Glass	Myers	Shields	Watson, Ga.
Harris	Overman	Simmons	Williams
Harrison	Pittman	Smith	Wolcott

NAYS—53.

Ball	Frelinghuysen	McCumber	Smoot
Brandegee	Gooding	McKinley	Spencer
Broussard	Hale	McLean	Stanfield
Bursum	Harreld	McNary	Sterling
Calder	Johnson	Moses	Sutherland
Cameron	Jones, Wash.	Nelson	Townsend
Capper	Kellogg	New	Wadsworth
Colt	Keyes	Newberry	Warren
Cummins	Knox	Nicholson	Watson, Ind.
Curtis	Ladd	Norbeck	Weller
Dillingham	La Follette	Norris	Willis
Elkins	Lenroot	Oddie	
Ernst	Lodge	Penrose	
Fernald	McCormick	Phipps	

NOT VOTING—11.

Ashurst	France	Owen	Shortridge
Borah	Kendrick	Page	Underwood
Edge	Kenyon	Poindexter	

So Mr. HARRISON'S amendment to the amendment made as in Committee of the Whole was rejected.

Mr. FRELINGHUYSEN. Mr. President, I offer the amendment which I send to the desk, and on it I ask for the yeas and nays.

The VICE PRESIDENT. The question now is on concurring in the amendment made as in Committee of the Whole, and the amendment proposed by the Senator from New Jersey is not now in order.

Mr. FRELINGHUYSEN. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. FRELINGHUYSEN. Is it necessary to reserve for a vote in the Senate an amendment which has been offered in the Committee of the Whole?

The VICE PRESIDENT. It is not.

Mr. FRELINGHUYSEN. Then the amendment I have just offered is in order.

The VICE PRESIDENT. The amendment offered by the Senator from New Jersey is to the body of the bill, and as the question now is on concurring in the committee amendment, the Senator's amendment is not in order.

Mr. KING. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. KING. In the Committee of the Whole I reserved a vote in the Senate on the amendment with respect to dyes and dyestuffs. Is it in order now to ask for a separate vote upon that amendment?

The VICE PRESIDENT. There is no provision by which a reservation can be made of a separate part; the reservation must be of the whole amendment.

Mr. KING. Am I to understand by that, Mr. President, that I must ask, then, for a vote upon the entire amendment?

The VICE PRESIDENT. Yes; that is the practice.

Mr. KING. My recollection was that it was agreed there should be a severance of the votes with respect to the amendment of the committee.

The VICE PRESIDENT. That was done in Committee of the Whole.

Mr. KING. Does not that extend to a vote upon each item in the Senate?

The VICE PRESIDENT. It does not, unless the Senate gives unanimous consent.

Mr. KING. Mr. President, I move to strike out from the bill Title V, and upon that I ask for the yeas and nays.

The VICE PRESIDENT. The Senator from Utah moves to strike out Title V.

Mr. WOLCOTT. A point of order, Mr. President.

The VICE PRESIDENT. The Senator from Delaware will state his point of order.

Mr. WOLCOTT. I understood that Title V was adopted in Committee of the Whole, and that when the bill came into the Senate all the amendments adopted as in Committee of the Whole were concurred in in the Senate.

The VICE PRESIDENT. They have not yet been concurred in. The question now is on concurring in the committee amendment.

Mr. KING. I am inclined to think that my motion was a little broader than was necessary. I move to strike out subdivision A of section 501, under Title V of the committee amendment.

The VICE PRESIDENT. Without objection, the Senator withdraws his former motion and now moves to strike out subdivision A of section 501 of Title V, on page 33. On that question the yeas and nays have been demanded.

The yeas and nays were ordered and taken.

Mr. PENROSE (after having voted in the negative). I observe that the Senator from Mississippi [Mr. WILLIAMS] has not

voted, and, as I have a general pair with that Senator, I withhold my vote.

Mr. LODGE. Making the same announcement as before, I vote "nay."

The roll call was concluded.

Mr. EDGE. Making the same announcement of my pair, and being unable to secure a transfer, I wish it to be recorded that if permitted to vote I would vote "nay."

Mr. MYERS. I wish to announce that the Senator from Arizona [Mr. ASHURST] is necessarily absent. If he were present, he would vote "nay."

Mr. HARRISON. I wish to announce that the senior Senator from Alabama [Mr. UNDERWOOD] if present would vote "yea" on this question.

Mr. PENROSE. I observe that the Senator from Mississippi [Mr. WILLIAMS] has entered the Chamber. So I will permit my vote to stand.

The result was announced—yeas 25, nays 63, as follows:

YEAS—25.

Borah	Harrison	Overman	Trammell
Caraway	Hitchcock	Pittman	Walsh, Mass.
Culberson	Kenyon	Pomerene	Walsh, Mont.
Dial	King	Shields	Watson, Ga.
Fletcher	La Follette	Smith	
Gerry	Moses	Smoot	
Harris	Myers	Stanley	

NAYS—63.

Ball	Glass	McKellar	Sheppard
Brandegee	Gooding	McKinley	Shortridge
Broussard	Hale	McLean	Simmons
Bursum	Harreld	McNary	Spencer
Calder	Heflin	Nelson	Stanfield
Cameron	Johnson	New	Sterling
Capper	Jones, N. Mex.	Newberry	Sutherland
Colt	Jones, Wash.	Nicholson	Swanson
Cummins	Kellogg	Norbeck	Townsend
Curtis	Kendrick	Norris	Wadsworth
Dillingham	Knox	Oddie	Warren
Elkins	Ladd	Penrose	Watson, Ind.
Ernst	Lenroot	Phipps	Weller
Fernald	Lodge	Poindexter	Willis
France	McCormick	Ransdell	Wolcott
Frelinghuysen	McCumber	Robinson	

NOT VOTING—8.

Ashurst	Keyes	Page	Underwood
Edge	Owen	Reed	Williams

So Mr. KING's amendment to the amendment made as in Committee of the Whole was rejected.

Mr. SIMMONS. Mr. President, I move to amend by striking out Titles II, III, and IV, the antidumping provision and the valuation provision. On that I ask for the yeas and nays.

Mr. LODGE. I ask that the amendment be stated. There is so much confusion in the Chamber we could not hear the Senator from North Carolina.

The VICE PRESIDENT. The amendment will be reported.

The ASSISTANT SECRETARY. From the amendment made as in Committee of the Whole the Senator from North Carolina moves to strike out all of Titles II, III, and IV.

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

Mr. EDGE (when his name was called). Making the same announcement as before, I wish to state that if permitted to vote, I should vote "nay."

Mr. LODGE (when his name was called). Making the same announcement as before of my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. EDGE. I transfer my pair with the Senator from Oklahoma [Mr. OWEN] to the Senator from Maryland [Mr. WELLER] and vote "nay."

Mr. HARRISON. On this question the senior Senator from Alabama [Mr. UNDERWOOD], if present and not paired, would vote "yea."

The result was announced—yeas 29, nays 61, as follows:

YEAS—29.

Caraway	Hitchcock	Reed	Walsh, Mass.
Culberson	King	Robinson	Walsh, Mont.
Dial	La Follette	Shields	Watson, Ga.
Fletcher	McKellar	Simmons	Williams
Gerry	Myers	Smith	Wolcott
Harris	Overman	Stanley	
Harrison	Pittman	Swanson	
Heflin	Pomerene	Trammell	

NAYS—61.

Ball	Dillingham	Jones, N. Mex.	McCumber
Borah	Edge	Jones, Wash.	McKinley
Brandegee	Elkins	Kellogg	McLean
Broussard	Ernst	Kendrick	McNary
Bursum	Fernald	Kenyon	Moses
Calder	France	Keyes	Nelson
Cameron	Frelinghuysen	Knox	New
Capper	Gooding	Ladd	Newberry
Colt	Hale	Lenroot	Nicholson
Cummins	Harreld	Lodge	Norbeck
Curtis	Johnson	McCormick	Norris
Oddie	Sheppard	Sterling	Watson, Ind.
Penrose	Shortridge	Sutherland	Willis
Phipps	Smoot	Townsend	
Poindexter	Spencer	Wadsworth	
Ransdell	Stanfield	Warren	

NOT VOTING—6.

Ashurst	Owen	Underwood	Weller
Glass	Page		

So Mr. SIMMONS's amendment to the amendment made as in Committee of the Whole was rejected.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole.

The amendment was concurred in.

Mr. FRELINGHUYSEN. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Senator from New Jersey offers an amendment, which the Secretary will state.

The ASSISTANT SECRETARY. On page 3, line 24, after the word "pound," it is proposed to insert the following:

Except such wools as were purchased abroad prior to April 1, 1921, by individuals, firms, or corporations here, for importation into the United States.

Mr. FRELINGHUYSEN. I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. FRELINGHUYSEN. I ask for a division.

On a division, the amendment was rejected.

The VICE PRESIDENT. The bill is in the Senate and is still open to amendment. If there be no further amendment to be proposed, the question is, Shall the amendment be engrossed and the bill be read a third time?

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

The bill was read the third time.

The VICE PRESIDENT. The bill having been read a third time, the question is, Shall it pass?

Mr. SIMMONS. Upon that I ask for the yeas and nays.

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

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. PAGE] and will vote. I vote "yea."

The roll call was concluded.

Mr. MYERS. I desire to announce that the Senator from Arizona [Mr. ASHURST] is necessarily detained from the Chamber. I am informed that if present he would vote "yea."

Mr. HARRISON. The senior Senator from Alabama [Mr. UNDERWOOD] is unavoidably absent. He is paired with the senior Senator from Vermont [Mr. PAGE]. If he were present, the senior Senator from Alabama would vote "nay."

Mr. EDGE. Making the same announcement as previously, that I have a general pair with the Senator from Oklahoma [Mr. OWEN], and not being able to secure a transfer, I withhold my vote. If permitted to vote, I should vote "yea."

The result was announced—yeas 63, nays 28, as follows:

YEAS—63.

Ball	Frelinghuysen	McCormick	Poindexter
Borah	Gooding	McCumber	Ransdell
Brandegee	Hale	McKinley	Sheppard
Broussard	Harreld	McLean	Shortridge
Bursum	Johnson	McNary	Smoot
Calder	Jones, N. Mex.	Myers	Spencer
Cameron	Jones, Wash.	Nelson	Stanfield
Capper	Kellogg	New	Sterling
Colt	Kendrick	Newberry	Sutherland
Cummins	Kenyon	Nicholson	Townsend
Curtis	Keyes	Norbeck	Wadsworth
Dillingham	Knox	Norris	Warren
Elkins	Ladd	Oddie	Watson, Ind.
Ernst	La Follette	Penrose	Weller
Fernald	Lenroot	Phipps	Willis
France	Lodge	Pittman	

NAYS—28.

Caraway	Harrison	Pomerene	Swanson
Culberson	Heflin	Reed	Trammell
Dial	Hitchcock	Robinson	Walsh, Mass.
Fletcher	King	Shields	Walsh, Mont.
Gerry	McKellar	Simmons	Watson, Ga.
Glass	Moses	Smith	Williams
Harris	Overman	Stanley	Wolcott

NOT VOTING—5.

Ashurst	Owen	Page	Underwood
Edge			

So the bill was passed.

Mr. PENROSE. Mr. President, I move that the Senate ask for a conference with the House of Representatives on the bill and amendment, and that the Chair appoint five conferees on the part of the Senate, that being the usual number in the case of revenue legislation.

The motion was agreed to; and the Vice President appointed Mr. PENROSE, Mr. MCCUMBER, Mr. SMOOT, Mr. SIMMONS, and Mr. WILLIAMS conferees on the part of the Senate.

Mr. SIMMONS. Mr. President, during the general discussion of the bill which has just been passed there was practically no reference to that provision of the bill which relates to dyestuffs. There was no discussion to-day of that question until a very short time before the time limitation upon debate prescribed in the unanimous-consent agreement expired. Three times, I believe, after that discussion had been projected I attempted to get recognition for the purpose of answering some of the statements which were made with regard to this provision of the bill, but without success; and before I could get recognition the hour for voting without further discussion had arrived. I was thus precluded from making any reply to these statements and arguments.

I am not going to make a speech, Mr. President; I am simply going to make a statement. I will on some other occasion go into this question more fully.

The Senator from Nebraska [Mr. HITCHCOCK] has said that because there were large exportations of certain characters of dyes that are produced in this country there was, therefore, a great trust. I do not know myself whether there is any trust with respect to those particular dyes or not; but I do know that long before the act with reference to dyestuffs which was passed during the war there was an investigation into this subject, and it was then developed in that inquiry that there were certain kinds of dyes that had long been produced in this country; that long before that time that particular class of dyes were produced in this country largely in excess of the American demand, and there were and had been for some time heavy exportations of that character of dyes. I presume that that situation exists to-day. But, Mr. President, while before the war we were producing in this country certain kinds of dyes in quantities in excess of our demands, we were making only a very small part of the dye colors which were then and are now used in this country. We were not producing at all by far the greater part of the colors that were in common use in this country; and we were not prepared to produce and never had produced those by-products of the dye industry which were shown to be so essential in times of war for the defense of the country. Germany had an almost absolute monopoly of the production of these colors and these by-products.

In that situation, upon the recommendation and request of Woodrow Wilson, then President of the United States, we were called upon to act, by adopting the law the operation of which this provision extends for six months. The case presented itself to us not as a tariff question at all, but as a question of national preparedness and national defense; and without party divisions in this Chamber or in Congress we enacted the legislation which it is now claimed built up a trust which that enactment subsidizes. If we had not enacted that legislation, in my opinion, it is doubtful if we could have won the war.

It is a mistake to suppose that this provision of the bill changes that law. It does not. Not one line or one syllable is stricken out of or added to the Democratic enactment, then adopted for the national defense and imperatively demanded by the necessities and emergencies of that situation. After the war closed the President recommended as a peace emergency precaution further legislation along the same lines as a means of developing and strengthening this essential industry. By reason of the passage of the Knox joint resolution establishing peace between this country and Germany that enactment, which was a war measure, would, under the terms of its creation, become inoperative upon conclusion of peace. It is proposed here not to change that law, but simply to lodge in the Secretary of the Treasury the powers that we then placed in the War Trade Board and continue for six months longer the power and function that were created and invested in that board under this Democratic law. The purpose in both cases is to safeguard the national defense by insuring adequate and full preparedness.

Mr. President, I think it is the sense of this country that we have not yet reached that point in the development of the dye industry in this country where it is able adequately to meet the requirements of preparedness in case of war; so that, as I regard it and as I think it ought to be regarded, this is a mere extension of a provision necessary to the national defense until we can have reasonable time to develop that industry to the point of making it adequate to supply our demands in case of hostilities between this country and some other country in the world. It is important that we are prepared for all eventualities and that we propose to continue that state of preparedness.

It is not now, as it was not when we enacted it, a question of tariff. It is a question of national preparedness and national defense.

Mr. KING. Mr. President, I confess my regret at the vehement and passionate speech just submitted by the distinguished Senator from North Carolina [Mr. SIMMONS]. I take issue with some of his positions. I shall not take the time of the Senate now in the effort to controvert them, but if opportunity affords I shall reply to the Senator from North Carolina and those who have advocated what I conceive to be a dangerous and most extraordinary provision in this bill.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a bill (H. R. 5010) making appropriations for the support of the Army for the fiscal year ending June 30, 1922, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 52) to authorize the Secretary of the Interior, in his discretion, to furnish water to applicants and entrymen in arrears for more than one calendar year of payment for maintenance or construction charges, notwithstanding the provisions of section 6 of the act of August 13, 1914, and it was thereupon signed by the Vice President.

NAVAL APPROPRIATIONS.

Mr. POINDEXTER. I move that the Senate proceed to the consideration of House bill 4803, being the naval appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4803) making appropriations for the naval service for the fiscal year ending June 30, 1922, and for other purposes, which had been reported from the Committee on Naval Affairs with amendments.

Mr. POINDEXTER. Many Senators have routine business that they desire to present to the Senate, and I yield for that purpose.

PETITIONS AND MEMORIALS.

Mr. WILLIS presented petitions of the Ohio Woman's Christian Temperance Union, of Columbus, and sundry citizens of Chardon, both in the State of Ohio, praying for the enactment of the so-called Volstead supplemental prohibition enforcement bill, which were referred to the Committee on the Judiciary.

He also presented resolutions unanimously adopted at the National Milk Marketing Conference, called by the American Farm Bureau Federation, in Chicago, Ill., May 3 and 4, 1921, favoring the enactment of legislation to foster a more extensive organization of dairy farmers in cooperative marketing associations, which were referred to the Committee on the Judiciary.

Mr. CAPPER presented a resolution adopted by the National Union of the Farmers' Union of America at a meeting held in Washington, D. C., April 20, 1921, favoring the enactment of legislation to make Liberty bonds United States currency without interest and acceptable in payment of debts, so as to restore confidence, stimulate production and industry, etc., which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the National Union of Farmers' Union of America at a meeting held in Washington, D. C., April 20, 1921, favoring certain amendments to the Federal reserve act, in the interest of agricultural producers, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the annual convention of the Kansas State Branch, National Association of Post Office Clerks, of Wichita, Kans., favoring the enactment of legislation to provide adequate compensation for postal clerks, which was referred to the Committee on Post Offices and Post Roads.

He also presented memorials of Wichita Lodge, No. 571, Brotherhood of Railway Clerks, of Wichita, and sundry citizens of Rossville and St. Marys, all in the State of Kansas, remonstrating against the enactment of legislation repealing the excess profits tax law and substituting therefor a sales or turnover tax; which were referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. PHIPPS, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 1072) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes, reported it without amendment and submitted a report (No. 40) thereon.

Mr. PERKINS with Mr. STOLL.
Mr. ROSE with Mr. UPSHAW.
Mr. VOLK with Mr. BRINSON.
Mr. WHITE of Maine with Mr. COCKRAN.
Mr. WINSLOW with Mr. BUCHANAN.
Mr. DUNN with Mr. O'CONNOR.
Mr. KINKAID with Mr. SULLIVAN.
Mr. ROGERS with Mr. CLARK of Florida.

The result of the vote was announced as above recorded.

On motion of Mr. TINCHER, a motion to reconsider the vote by which the bill was passed was laid on the table.

EMERGENCY TARIFF.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that H. R. 2435, the emergency tariff bill be taken from the Speaker's table, the Senate amendments disagreed to, and that the conference asked by the Senate be agreed to.

The SPEAKER. The gentleman asks unanimous consent that the emergency tariff bill be taken from the Speaker's table, all the Senate amendments disagreed to, and the conference asked by the Senate agreed to. Is there objection?

Mr. LONGWORTH. Mr. Speaker, there is but one amendment.

The SPEAKER. There is but one amendment. Is there objection?

Mr. GARNER. Mr. Speaker, reserving my right to object, the gentleman from North Dakota said he wanted to make a statement.

Mr. YOUNG. I was unable to understand just what objections the gentleman had——

Mr. GARNER. Mr. Speaker, I object.

The SPEAKER. The gentleman from Texas objects.

EMERGENCY TARIFF BILL.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The Clerk read as follows:

House resolution 90.

Resolved, That the bill H. R. 2435, being a bill entitled "An act imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes," be, and is, taken from the Speaker's table, with the Senate amendments thereto, to the end that the Senate amendment be, and hereby is, disagreed to, and the conference requested by the Senate on the disagreeing votes on said amendment be, and hereby is, agreed to, and the Speaker shall immediately appoint the conferees.

Mr. CAMPBELL of Kansas. Mr. Speaker, the resolution states in plain terms the purpose it has in view. Objection having been made to sending the bill to conference, the only remedy left to the House is to adopt the resolution, send the bill to conference where the differences between the House and the Senate may be compromised and agreed upon, and the legislation finally passed. If I were opposed to the bill, I would oppose sending it to conference. Being in favor of the bill, I am in favor of sending it to conference that the differences between the House and the Senate may be agreed upon as early as possible. I yield 30 minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Speaker, in the first place I wish to direct attention to the fact that this rule provides for a condition which does not exist. The rule reads that the conference requested by the Senate on the disagreeing votes on said amendment be and is hereby agreed to. That is not the language of the request of the Senate, as gentlemen will see by examining the RECORD. They did not ask for a conference on the disagreeing votes. There had been no disagreeing votes. They asked for a conference on the bill and amendment, as I now recollect it. What sort of a situation that presents I leave for the future to determine.

In the next place, I wish to say that the Senate struck out all of Title II of the House bill and has inserted in lieu thereof Titles II, III, IV, and V as a Senate amendment. This Senate amendment deals in part with subjects entirely new, not mentioned in the House bill when it passed the House. Now it is proposed to send the bill to conference instead of to the Committee on Ways and Means. The conferees will meet. They will make up a conference report which will be returned to the House. The House will have to act upon it in advance of the Senate, and gentlemen will be confronted with the proposition of having to vote the conference report up or down as a whole, without the slightest opportunity of giving any independent consideration whatever to these new subjects that have been placed in the bill by the Senate.

Mr. WALSH. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will yield to the gentleman.

Mr. WALSH. The gentleman states that the Senate put new subjects in the bill?

Mr. GARRETT of Tennessee. Yes; the dyestuff matter was not in the House bill.

Mr. WALSH. It was placed there by way of tariff legislation.

Mr. GARRETT of Tennessee. Yes; but it is a new subject matter. Now, Mr. Speaker, it does seem to me that it is extremely bad policy for this body which is charged under the Constitution with initiating revenue legislation to permit the Senate to place upon a House revenue bill entirely new subject matter when that subject has not had independent consideration in the House and send it to conference without giving ever an opportunity for amendment. I dare say that there is not now a gentleman on the floor who is able to explain what is meant by some of the features that have been put on the bill in the Senate. Information which they derive they will derive in conference, when they call persons before them to inform them what it means. Gentlemen, that information ought to be obtained in the Committee on Ways and Means. These new subject matters ought to be brought back to the House, and the House ought to have an opportunity to consider them, and House Members should not be placed in a position of having to vote up or down the conference report as a whole without chance of amendment.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will.

Mr. LONGWORTH. The gentleman speaks about a number of different subject matters. There is only one, a simple provision extending the existing law to cover six months, and that is not new.

Mr. GARRETT of Tennessee. That is the dyestuff title?

Mr. LONGWORTH. Yes; it is not new legislation; it is simply extending the period of the legislation passed during the war.

Mr. GARRETT of Tennessee. It was not considered in the House in connection with the tariff bill.

Mr. LONGWORTH. It is a perfectly simple matter.

Mr. GARRETT of Tennessee. Will the gentleman state to the House that he now understands the other provisions put on by the Senate outside of the bill as it passed the House?

Mr. LONGWORTH. Indubitably. [Laughter.]

Mr. GARRETT of Tennessee. The gentleman has no doubt as to the meaning. Does the gentleman intend to explain it to the House while discussing this rule?

Mr. LONGWORTH. When it comes back from conference.

Mr. GARRETT of Tennessee. Mr. Speaker, it is not a very good form of legislation. This House is charged with the duty, under the Constitution, of originating revenue legislation, and it should have the opportunity of passing upon new matters injected by the Senate under the general rules and not have to take it or reject it in a conference report.

Mr. STAFFORD. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will yield to the gentleman.

Mr. STAFFORD. Can the gentleman inform the House what attitude was taken by the House when the Underwood tariff bill came back from the Senate and went to conference?

Mr. GARRETT of Tennessee. It was sent to conference.

Mr. STAFFORD. Without having been referred to the Committee on Ways and Means. It contained thousands of items in dispute, and was not sent back to the committee.

Mr. GARRETT of Tennessee. But there was not injected into the Underwood bill a lot of new subject matters which was not in the bill before the House.

Mr. STAFFORD. Oh, there was a lot of new subject matters put into the bill.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. Speaker, the gentleman who has just spoken [Mr. GARRETT of Tennessee] seems to think that the House ought to have an opportunity to discuss the Senate amendment before it goes to the conferees. I want to remind him that he had an opportunity to-day to have as much time as he wished for the discussion of this matter. It was entirely his option to say how much time he wanted for that purpose. I want to say, further—and this is in answer to a number of questions that have been asked to-day—there is no question of bad faith involved in respect to this bill so far as the Finance Committee of the Senate is concerned. It is true that there was an understanding between the Finance Committee of the Senate and the Ways and Means Committee of the House that it would be highly undesirable to attempt to change Title I of the bill, and that it would not be wise to attempt to add any new items to it. We were all agreed as to that. That understanding has been lived up to by the mem-

bers of the Finance Committee. There was no understanding reached as to the antidumping feature of the bill, or in any other respect except Title I of the bill.

Our friends on the other side of the aisle seem to forget that this is an emergency bill. It is not going to do any good if we keep on considering the bill in the Ways and Means Committee until the gentleman from Texas [Mr. GARNER] is entirely ready and willing that the bill should be reported out and passed. If this bill is going to do any good it ought to be passed now, not six months from now. Gentlemen who have studied this subject understand well the great emergency which exists.

At the time this bill was first discussed at the last session of Congress there was about a two years' supply of wool on hand in the United States. Wool has been coming in very fast ever since. It has been coming by the shipload. The surplus has greatly increased. Wool has become a drug on the market, so that it is absolutely impossible to sell it at any of the interior markets, and it is not possible to get a bid even at Boston, the chief market for wool. The same is largely true with respect to frozen meat, which has been coming in in tremendous quantities. That has, of course, affected the price of live stock to such an extent that it is now so low in value bankers throughout the West, who are many of them very greatly in need of the money, can not foreclose and realize enough on their mortgages to make it worth while, even if they had the disposition to do so. Wheat is coming in from Canada at the rate of almost half a million bushels a day.

Mr. HARDY of Texas. Mr. Speaker, will the gentleman yield?

Mr. YOUNG. I can not, as I have only five minutes. If we wait for 30 days or even 10 days this law will not do us very much good, so far as wheat is concerned. I mention this to show the highly emergent character of the legislation and the need for immediate action.

The SPEAKER. The time of the gentleman from North Dakota has expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. GARNER].

Mr. GARNER. Mr. Speaker and gentlemen of the House, the rule submitted by the gentleman from Kansas [Mr. CAMPBELL], according to his explanation, is for the purpose of sending this bill to conference. I deny that that is the object of the rule. The object of this rule is to prevent the House of Representatives from considering the Senate amendment. I was surprised when the gentleman from Kansas told the House that the adoption of this rule was the only method by which you could get this bill to conference and get an agreement between the two Houses. The gentleman from Kansas shakes his head, but he did make the statement, and if he permits his statement to stay in the RECORD as he delivered it it will show that that is just what he did say.

Gentlemen of the House, let me show you what you are doing by this rule. You are sending a bill to conference that the gentleman from Michigan [Mr. FORDNEY], the chairman of the committee, knows absolutely nothing about, and that the gentleman from North Dakota [Mr. YOUNG], who is in charge of the bill, knows nothing about. There is not a man on the floor of the House, not a single one—and I challenge him if there is, to rise in his place—who can give an explanation of what the Senate amendment provides. You have an opportunity to consider the bill; you have an opportunity to amend it, if you will, under the rules of the House. You can send it to the Ways and Means Committee and bring it back into the Committee of the Whole House on the state of the Union and consider it under the 5-minute rule, and have an opportunity to amend it or perfect it, if you desire. Why do you take that privilege away from yourselves? Why do you deny yourselves the right to legislate intelligently in the House of Representatives, when you can do it just as easily and almost as quickly as you can under this rule? You have a majority of 170. Suppose the chairman of the Committee on Ways and Means [Mr. FORDNEY] should let this bill go to the Committee on Ways and Means, as it would under the rules of the House. These are your rules, and they are good rules. Let it go to the Committee on Ways and Means, and within an hour from this moment the gentleman from Michigan [Mr. FORDNEY] can report this bill back to the House of Representatives, and to-morrow morning you could go into the Committee of the Whole House on the state of the Union for the purpose of considering the bill, and consider it under the 5-minute rule, and perfect the Senate amendment, if you choose to do so. That is one way to rapidly consider the legislation, and consider it intelligently.

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

Mr. GARNER. Yes.

Mr. LONGWORTH. How frequently has it happened in the gentleman's experience that a bill goes to conference in any other way except either by unanimous consent or under a rule?

Mr. GARNER. Oh, the gentleman from Ohio talks about how frequently this is done. We have ceased to legislate here in the House of Representatives under the rules of the House.

Mr. LONGWORTH. Can the gentleman cite me an instance during the eight years when his party was in power where any bill went to conference except by unanimous consent or under a rule?

Mr. GARNER. Oh, we carried our bills to conference either by unanimous consent or by going back to the committee, except in certain instances, but we did it under the rules of the House in all tariff legislation. In the Underwood bill we sent it back. I remarked to the venerable gentleman from Illinois [Mr. CANNON] this morning something which I think all will recognize as a truism. I said, "Uncle Joe, in the days of yourself and John Dalzell you were pikers compared with what they do to-day with reference to special rules." I remember when the gentleman from Illinois occupied the chair and he and the gentleman from Pennsylvania, Mr. Dalzell, would resolve to do so and so and bring in a special rule, but I venture the assertion now that he did not bring in 25 per cent of the number of special rules in order to consider legislation that you do to-day. Why can you not consider legislation under the general rules of the House? Most of the legislation here is considered either by unanimous consent or under a special rule.

What does this bill do, this sacred bill, in which the gentleman from Michigan [Mr. FORDNEY] said we must not cross a "t" or dot an "i" when we were considering it in the House? Some of you gentlemen thought it ought to be amended, but he appealed to you over on that side, and said there was a gentleman's agreement; that the Senate had agreed if we would not amend this bill it would be passed just exactly as we passed it. "I have agreed that we will not amend this bill, and therefore I want my Republican colleagues to keep that agreement." You did keep it, and what happened? It does not seem that a gentleman's agreement holds as good in another body as in this. They struck out 10 pages of the Young tariff bill and substituted the Senate's 18 pages. They not only did that, but inserted new matter proposed to extend a law that is an existing law, still on the statute books. Why, the dyestuffs law is still on the statute books, Mr. LONGWORTH, and why do you want to extend it for six months longer when it is already on the statute books?

Mr. LONGWORTH. The gentleman is completely misinformed. That is not the dye law at all; it has nothing to do with the dye law.

Mr. GARNER. I understand it is not the dye law, but it is an embargo to be placed on the dye business now existing in the law.

Mr. LONGWORTH. No; it is a law which authorizes——

Mr. GARNER. What law?

Mr. LONGWORTH. In regard to the War Trade Board.

Mr. GARNER. The amendment of the Senate abolishes the War Trade Board and transfers its activities to the Treasury Department and prolongs its life six months. The War Trade Board is not dead yet.

Mr. LONGWORTH. It will die on the 1st of July.

Mr. GARNER. It is going to extend its life beyond the 1st of July. Now you propose to extend it for six months and transfer the activities from the War Trade Board to the Treasury Department.

Mr. LONGWORTH. Is the gentleman opposed to that provision?

Mr. GARNER. I want to hear some argument in reference to it. The gentleman from Ohio does not want to get any information about the matter; he does not want it to go to the Committee on Ways and Means and send for Treasury officials, send for the board of appraisers, send for members of the Tariff Commission, send for men who know something about this matter and consider it intelligently, and in that way report it back to the House, in order to give some information about the matter. Here is what you are doing: You younger Republican Members do not amount to anything. At least I think you are coming to that conclusion from the expressions of some of you, and probably you do not. You are a cog, however, in this machine. You vote away your right to amend by adopting this rule. You would have the right under the rules of the House to offer an amendment to this if it were considered under the rules of the House. You are going to take that away from yourselves to-day by adopting a special rule, and so you are not going to give yourselves the humble privilege of even offering an amendment to a bill pending in the House of Representatives. Why, you can not expect to get out of the hands of the organization and ever assert yourself in the House of Representatives and impress upon your constituency or the House itself whether you are worthy to sit here or not if you are going to sit dumbly by and permit the organization or permit the gentleman from

Kansas and the gentleman from Michigan and a few other Members to tell you just what you shall and shall not do. The quicker you begin to assert yourselves in the House of Representatives and assert your rights under the rules of the House the better it will be for you and the country, in my judgment, and for that reason I appeal to you to-day to vote down this rule and consider this bill under the rules of the House and offer amendments, if you think it ought to be amended. Are you willing to say this is perfection? It may be; it may be that after due consideration of the matter we would want to concur in the Senate amendment. Now, if we did, why do you take away from yourselves the right to do it? Mr. Speaker, this is the beginning of fiscal legislation which initiates the policy which the gentleman from Kansas and the gentleman from Michigan propose to follow. I am just wondering if the gentleman from Michigan, when he brings in his tariff bill, intends to pass it under the rules of the House or under a special rule furnished by the gentleman from Kansas. I see the gentleman from Michigan smile, but I would like to know what is in his mind. However, he declines to respond. [Laughter.]

Mr. FORDNEY. I will tell the gentleman a minute.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. FORDNEY].

Mr. FORDNEY. Mr. Speaker, there has never been a tariff bill sent to conference that I can remember since I have been a Member of this House that did not carry some important new measure to be settled in conference. The gentleman from Texas [Mr. GARNER] states that this is a new provision in this bill which provides in reference to the licensing board in regard to dyestuffs. Last year this House, after extended debate on the dyestuff bill, known as the Longworth bill, carried a provision almost identical with the one provided for by the Senate in this bill, and if I am fortunate enough to be one of the conferees who take up the consideration of this bill I am going to go over there and stand by the House provision. I believe that the provisions added to this bill by the Senate relating to the antidumping bill are wholly ineffective and in many instances unconstitutional. [Applause.] The gentleman well knows that this question has been before the House and fully considered. But the gentleman says, "Oh, yes; there are a large number of new Members here." But let me call his attention to the fact that they are all Republicans. [Laughter and applause on the Republican side.] And they know a good thing when they see it. They have confidence in the conferees. The provision written in this law as to antidumping is in substance the same as the antidumping provision in the act of 1913, known as the Underwood tariff law, which never was intended to be put in operation. There never has been one single instance in which an attempt has been made to enforce its provision, because under the provisions of that law a conspiracy must be proven between the foreign exporter and the importer.

That is impossible, and the men who wrote the law knew it. Gentlemen, this antidumping provision which we added to the bill is absolutely necessary. Only the day before yesterday both Great Britain and Canada adopted such a provision. The resolutions had been offered before, and under the law such resolutions become effective the minute they are introduced. They may be changed under the English or Canadian law, and the rates raised or lowered. Great Britain added 33⅓ per cent duty, and Canada in her provision makes a rate not to exceed 33⅓ per cent, as we did to overcome the depreciated currency, but fixed it at 50 per cent. That is much more drastic than the provision in the bill that is now going to conference.

I do not wish to take up much time of the House. Personally I do not agree with the Senate amendment, and for that reason I want the bill to go to conference. And the gentleman from Texas [Mr. GARNER], one of the best fellows on earth—though nobody but myself knows it [laughter]—knew he was going to object to unanimous consent. He told me so. And the only way to get this bill to conference to-day was to adopt this rule; and, you rascal, you know it. [Laughter.]

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield five minutes to the gentleman from Oklahoma [Mr. MCCLINTIC].

Mr. McCLINTIC. Mr. Speaker and gentlemen of the House, I desire to use the five minutes that have been allotted to me for the purpose of making a statement to the House relative to the RECORD, which I think will be satisfactory to every Member here, and I hope that no one will object.

As many of you know, for several months I have exercised my own prerogative by objecting to certain extensions which were sought for the purpose of printing speeches in the RECORD not made on the floor of the House. At the time I did this I thought the RECORD needed some attention, and I wish to say to the Members of the House that the motives which prompted me were of the highest, and that I never at any time sought to show any partiality to either a Democrat or a Republican.

A few days ago the distinguished gentleman from North Dakota [Mr. YOUNG], who has charge of this bill, was generous enough to refer to my work in this connection, using the following language:

> Mr. YOUNG. Mr. Chairman, reserving the right to object, and I am not going to do so, I wish to say that I believe we have had the most accurate record of the debates and proceedings during the past few months of any time during the past eight years, and it has been due to the fact that the gentleman from Oklahoma [Mr. MCCLINTIC] has insisted that the record kept here must be a record of what is actually said and done. I really think it is worth while to have it kept that way. As far as I am concerned, I feel as though the gentleman from Oklahoma [Mr. MCCLINTIC] ought to be complimented for taking it upon himself to see that the record of this House is kept in that way.

I appreciate very much his kind statements. And I want to say this to the House, that I find it is practically impossible to look after one's duties in connection with the various departments and be present during the consideration of every piece of legislation. I do not wish any Member to ever say that I kept some Representative from having a privilege when another person obtained it at a time when I was not present. So I want to say to the membership of this House that I feel you are to be congratulated for the splendid cooperation you have given me in the past, and I hope that it will not be necessary at any time in the future for me to again interpose an objection to any request that may be made by any Member of this House. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, answering the violent objections that have just been made to this rule, I yield eight minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Speaker, it is rather regrettable, I think, that we are forced to invoke a rule to send this bill to conference. We had hoped it would go there in the ordinary way, by unanimous consent. Any other method, any objection to unanimous consent, simply serves to delay this emergency legislation a little longer. We have delayed it too long already, gentlemen of the House. [Applause on the Republican side.] This bill ought to have been passed four months ago, and would have been had it not been for a veto by the then occupant of the White House. It ought to have passed both this House and the Senate a month ago, notwithstanding the veto, had it not been for what I will not call obstructive tactics, but, at any rate, unreasonable delay.

I regret also that my friend from Texas [Mr. GARNER] should have brought politics into this matter. There is no politics in the only portion of the bill which is still left open to conference. One of the titles was adopted unanimously, practically, in the Senate, and this provision that both the gentleman from Tennessee [Mr. GARRETT] and the gentleman from Texas [Mr. GARNER] are raising such a hullabaloo about, namely, the extension of the power to prevent the unlimited importation of German dyes, received 13 Democratic votes in the Senate. Among them there was no less a person than the late chairman of the Finance Committee, Senator SIMMONS, and for the benefit of the gentleman from Texas I will read the remarks of that great Democratic leader upon this point. The Senator from North Carolina [Mr. SIMMONS] said with regard to the so-called dye paragraph:

> Mr. President, I think it is the sense of this country that we have not yet reached that point in the development of the dye industry in this country where it is able adequately to meet the requirements of preparedness in case of war; so that, as I regard it and as I think it ought to be regarded, this is a mere extension of a provision necessary to the national defense until we can have reasonable time to develop that industry to the point of making it adequate to supply our demands in case of hostilities between this country and some other country in the world. It is important that we are prepared for all eventualities and that we propose to continue that state of preparedness.

I commend that to the attention of gentlemen upon that side of the House. Why, even our late colleague, the Hon. J. THOMAS HEFLIN, voted for this, and yet you bring a question of party politics into it.

This is a very simple proposition. There are two points of difference only between the House and the Senate. The Senate has redrafted the antidumping provision of the law, for which a few years ago every single Democrat in this House voted. It is simply a question of accommodating differences, and the gentleman from Texas [Mr. GARNER] and other members of the Ways and Means Committee could delay this thing for weeks by sending for various alleged authorities from the Treasury and other departments in order to do what the conferees can very well do, and what I believe they can do in a very few hours.

So far as the so-called dye provision is concerned, all it does is to extend the present powers of the War Trade Board, which expire either on the passage of the Knox resolution or some similar resolution, declaring peace with Germany, or would expire on the 1st of July because of lack of appropriations. It does not change a particle a law which I believe was passed unanimously in this House, and carried in one of the preparedness bills. And that is all we have to do in conference, either to determine to leave it in our bill or to leave it out. Any other method than the one we are pursuing to-day, gentlemen, is simply to delay the passage of this emergency legislation. And I submit there is not a man on this side of the House, and there ought not to be a man on that, who will be opposed to sending this bill at once to conference and getting rid of this proposition. [Applause on the Republican side.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield three minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Speaker, I was glad to hear the gentleman from Ohio [Mr. LONGWORTH] give his attention to this dyestuff and chemical provision, because in my opinion it should be unanimously approved by the Members of this House.

Mr. Speaker, this provision in the emergency tariff bill concerning dyestuffs and chemicals is recognition of the fact that we are on the verge of a new age. We have had the stone age and the iron age and are now in the electrical age. Just ahead is the chemical age, and with an enlightened policy America will be the leader of the world in its accomplishments.

Coal tar is the most important basic material in the chemical world. In my own district for many years countless tons of coal tar from the old-style beehive coke ovens were wasted. Then it was discovered to be one of the most valuable products in the world.

Now, in the new ovens it is being conserved and used for a thousand uses. Coal tar is the essence of the forests of by-gone years. It is one of the strategic products for war and peace. It wounds and heals. It supplies both munitions and medicines.

Every ton of coal produces 120 pounds of tar. Out of the tar come 10 crude oils, which are converted into 300 secondary products or "intermediates." Through combination of these chemical elements many thousand products are possible. There are to-day at least a thousand separate dyes produced from coal tar.

The entire business has been dominated by Germany. The man who first made a dye from coal tar was an English chemist. In less than two years Germany had a complete monopoly of its production.

When the war broke out we were importing nine-tenths of our dyes from Germany. Only seven firms and 528 persons were employed in the dye industry in the United States. Cut off from our supply by the war, we suffered greatly. I saw the effect in the publishing business, when the manufacturers of printing ink found it impossible to make a satisfactory ink without the German materials. Many other lines of business suffered.

But over and above all was the fact that the dye business and the high-explosive business are the same. From the same coal tar comes picric acid, used in munitions. Within 24 hours it is possible to turn a dye plant into a munitions plant. Germany did that very thing, and, having a monopoly of the dye industry, she had a monopoly of high explosives until American energy and ability overcame all handicaps.

To-day we have 184 concerns engaged in this industry. In my district and elsewhere are young, alert, efficient business men engaged in this new line. They can compete with Du Ponts, but they can not compete with Germany. Without assistance they will be stifled under an avalanche of German goods, made by those who know that control of this industry means to dominate the age of chemistry, with all that means both in peace and war.

I believe this section of the emergency tariff bill to be the best in it. I am glad the Senate added it to the measure as it left the House, and I hope the conferees will agree to it, so that America may be independent of any other country in this most strategic industry. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield four minutes to the gentleman from Iowa [Mr. GREEN].

The SPEAKER. The gentleman from Iowa is recognized for four minutes.

Mr. GREEN of Iowa. Mr. Speaker, I wish to tender my congratulations to my friend from Texas [Mr. GARNER], who made some remarks on this conference report, on the ease with which he has turned a political somersault during the progress of this legislation. There was a time when the gentleman from Texas was enthusiastically in favor of this bill. Now it seems he is equally positive that it should be delayed and not passed.

He says he wants information. Information about what? Does he want information about the antidumping provision, that we have been discussing here for 10 years or more? Does he want information about this license system on dyes, which we discussed for days at a previous session, in which discussions the gentleman, if I remember rightly, took part? No. What the gentleman from Texas wants and what he is trying to do is to delay the passage of this bill, too long delayed already; so long delayed, indeed, that I fear it will not be able to meet the emergency now upon us, when every day increases the urgency and the necessity for its passage. But, gentlemen of the House, we on the Republican side, recognizing its necessity, intend to put it through as rapidly as possible. [Applause on the Republican side.]

Mr. GARRETT of Tennessee. Mr. Speaker, after the illuminating contributions that have been made to this discussion by the gentleman from Michigan [Mr. FORDNEY] and the gentleman from Ohio [Mr. LONGWORTH] and the gentleman from Iowa [Mr. GREEN] upon the details of this Senate amendment, it may seem somewhat presumptuous to insist on the House further maintaining its proper dignity and its rights in regard to revenue legislation. But nevertheless there are a few of us, a small band, but a Spartan band [laughter], that still insist upon the maintenance of those rights and the assertion of the dignity of the House of Representatives. [Applause on the Democratic side.]

I called attention in the opening of this very vigorous debate to the fact that the Senate had struck out Title II of the House bill and had inserted as one amendment four titles. All that the House had in the bill, other than tariff features, the Senate has materially changed, and then, in addition to changing that, the Senate has added this new dyestuff matter, concerning which my friend from Pennsylvania [Mr. KELLY] talked so eloquently, and concerning which another friend of mine, the gentleman from Ohio [Mr. FESS], on a former occasion had a few remarks to make. I do not know how Mr. FESS feels about the matter now. My recollection is that he then denounced the dye proposition as wholly indefensible and outrageous. It may be that it is to prevent the gentleman from Ohio from having the opportunity of exposing what he conceives to be the iniquities of this dye provision as contained in the bill under the 5-minute rule in the House that it has been determined to send this matter to conference and have the conferees buck and gag and tie him up on it as a party proposition and place him in the position where he is bound to vote for that which he denounced as evil in order to secure other provisions of the bill. I say perhaps in view of the great prominence of the gentleman from Ohio that may be one of the principal reasons why this ruthless, cruel, brutal majority has determined to drive this thing through in this outrageous manner. [Laughter and applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I am sure that everybody has been impressed with the sincere, high-minded, but persistent opposition to this rule that the debate has thus far evidenced.

However, I congratulate the gentleman from Tennessee [Mr. GARRETT] on his closing remarks as being the only statement made on that side that approached real debate.

Mr. GARRETT of Tennessee. Will the gentleman yield to me in order to allow me to read the remarks made by the gentleman from Ohio [Mr. FESS] concerning this bill on a former occasion?

Mr. CAMPBELL of Kansas. If I had the time I would be glad to yield, but I fear I have not the time. [Laughter.] Mr. Speaker, I am still anxious to get this bill into conference, and anxious to get it to a final vote in both the House and the Senate.

Before asking for a vote on the resolution, I move to amend by striking out the words "on the disagreeing votes," in lines 10 and 11.

The SPEAKER. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CAMPBELL of Kansas: Page 1, line 10, after the word "Senate," strike out the words "on the disagreeing votes."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. CAMPBELL of Kansas. Now, it will read:

The conference requested by the Senate on said amendment be, and hereby is, agreed to.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I yield for a question.

Mr. GARRETT of Tennessee. What will be the effect of agreeing to the resolution in that form? What will be the power of the conferees?

Mr. CAMPBELL of Kansas. The power of the conferees will be this, that the bill—

Be, and hereby is, taken from the Speaker's table, with the Senate amendment thereto——

Mr. GARRETT of Tennessee. I know how it will read.

Mr. CAMPBELL of Kansas (reading)—

to the end that the Senate amendment be, and hereby is, disagreed to, and the conference requested by the Senate on said amendment be, and hereby is, agreed to.

The amendment of the Senate is the matter upon which the conferees will have to act.

Mr. LONGWORTH. If the gentleman will yield, I will read the motion made by the Senator from Pennsylvania [Mr. PENROSE] in sending the matter to conference. The motion is—

That the Senate ask for a conference with the House of Representatives on the bill and amendment.

That is the form of the rule.

Mr. GARRETT of Tennessee. I direct attention to that in the beginning, I believe.

Mr. CAMPBELL of Kansas. I am indebted to the gentleman from Tennessee [Mr. GARRETT] for calling my attention to the matter that I have just corrected by way of an amendment to the resolution. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of no quorum present.

The SPEAKER. The gentleman from Tennessee makes the point of no quorum present. It is clear that there is no quorum present. The Doorkeeper will close the doors. The Sergeant at Arms will notify absentees. As many as are in favor of agreeing to the resolution will, as their names are called, vote "yea," those opposed "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 232, nays 98, not voting 100, as follows:

YEAS—232.

Ackerman	Dyer	Kelly, Pa.	Nelson, J. M.
Andrews	Echols	Ketcham	Newton, Mo.
Arentz	Edmonds	King	Norton
Atkeson	Elliott	Kirkpatrick	Ogden
Bacharach	Elston	Kissel	Olpp
Barbour	Evans	Kleczka	Osborne
Beck	Fairfield	Kline, N. Y.	Parker, N. J.
Beedy	Faust	Kline, Pa.	Parker, N. Y.
Begg	Favrot	Knutson	Parrish
Benham	Fenn	Kopp	Patterson, Mo.
Bixler	Fess	Kraus	Peters
Blakeney	Fitzgerald	Lampert	Petersen
Bland, Ind.	Focht	Langley	Porter
Blanton	Fordney	Lankford	Pringey
Boies	Foster	Larson, Minn.	Purnell
Brennan	Frear	Lawrence	Radcliffe
Brooks, Ill.	Freeman	Layton	Ramseyer
Brooks, Pa.	French	Lazaro	Reavis
Brown, Tenn.	Frothingham	Lea, Calif.	Reece
Burke	Gensman	Leatherwood	Reed, N. Y.
Burroughs	Gernerd	Lehlbach	Rhodes
Burtness	Glynn	Lineberger	Ricketts
Butler	Good	Little	Riddick
Cable	Goodykoontz	Longworth	Roach
Campbell, Kans.	Graham, Ill.	Luce	Robertson
Campbell, Pa.	Green, Iowa	McArthur	Rodenberg
Cannon	Greene, Mass.	McCormick	Ryan
Chalmers	Griest	McFadden	Sanders, Ind.
Chandler, Okla.	Hadley	McKenzie	Schall
Chindblom	Hardy, Colo.	McLaughlin, Mich.	Scott, Mich.
Christopherson	Hawley	McLaughlin, Nebr.	Scott, Tenn.
Clague	Hays	MacGregor	Shaw
Clarke, N. Y.	Herrick	Madden	Shelton
Clouse	Hersey	Magee	Siegel
Cole	Hickey	Maloney	Sinclair
Colton	Hicks	Mansfield	Sinnott
Connell	Hill	Mapes	Smith
Connolly, Pa.	Himes	Martin	Smithwick
Cooper, Ohio	Hoch	Merritt	Snell
Cooper, Wis.	Hogan	Michaelson	Speaks
Crowther	Houghton	Michener	Sproul
Curry	Hudspeth	Miller	Stafford
Dallinger	Hull	Mills	Steenerson
Darrow	Husted	Millspaugh	Stephens
Davis, Minn.	Ireland	Montoya	Strong, Kans.
Deal	James, Mich.	Moore, Ill.	Summers, Wash.
Dempsey	Jefferis	Moore, Ohio	Sweet
Denison	Johnson, S. Dak.	Moores, Ind.	Swing
Dickinson	Johnson, Wash.	Morgan	Taylor, N. J.
Dowell	Jones, Pa.	Mott	Taylor, Tenn.
Dunbar	Jones, Tex.	Murphy	Temple
Dupré	Kearns	Nelson, A. P.	Thompson
Tilson	Vestal	Wason	Williamson
Timberlake	Voigt	Watson	Wood, Ind.
Tincher	Volk	Webster	Woodyard
Treadway	Volstead	Wheeler	Wurzbach
Underhill	Walsh	White, Kans.	Young
Vare	Walters	Williams	Zihlman

NAYS—98.

Almon	Drane	Larsen, Ga.	Rouse
Aswell	Drewry	Lee, Ga.	Rucker
Bankhead	Driver	Linthicum	Sabath
Barkley	Fisher	Logan	Sanders, Tex.
Bell	Flood	London	Sandlin
Black	Fulmer	Lowrey	Sears
Bland, Va.	Garner	Lyon	Steagall
Bowling	Garrett, Tenn.	McClintic	Stedman
Box	Garrett, Tex.	McDuffie	Stevenson
Brand	Goldsborough	McSwain	Summers, Tex.
Briggs	Griffin	Montague	Swank
Bulwinkle	Hammer	Moore, Va.	Tague
Byrnes, S. C.	Hardy, Tex.	O'Brien	Ten Eyck
Byrns, Tenn.	Harrison	Oldfield	Thomas
Cantrill	Hawes	Oliver	Tillman
Carew	Huddleston	Padgett	Tyson
Carter	Humphreys	Parks, Ark.	Vinson
Collier	James, Va.	Pou	Ward, N. C.
Collins	Johnson, Ky.	Quin	Weaver
Connally, Tex.	Johnson, Miss.	Rainey, Ala.	Wilson
Crisp	Keller	Rainey, Ill.	Wingo
Cullen	Kincheloe	Raker	Woods, Va.
Davis, Tenn.	Kindred	Rankin	Wright
Dominick	Kunz	Rayburn	
Doughton	Lanham	Riordan	

NOT VOTING—100.

Anderson	Fields	Kreider	Rogers
Ansorge	Fish	Lee, N. Y.	Rose
Anthony	Free	Lufkin	Rosenbloom
Appleby	Fuller	Luhring	Rossdale
Bird	Funk	McLaughlin, Pa.	Sanders, N. Y.
Bond	Gahn	McPherson	Shreve
Bowers	Gallivan	Mann	Sisson
Brinson	Gilbert	Mason	Slemp
Britten	Goodman	Mead	Snyder
Browne, Wis.	Gould	Mondell	Stiness
Buchanan	Graham, Pa.	Morin	Stoll
Burdick	Greene, Vt.	Mudd	Strong, Pa.
Burton	Haugen	Newton, Minn.	Sullivan
Chandler, N. Y.	Hayden	Nolan	Taylor, Colo.
Clark, Fla.	Hukriede	O'Connor	Tinkham
Classon	Hutchinson	Overstreet	Towner
Cockran	Jacoway	Paige	Upshaw
Codd	Kahn	Park, Ga.	Valle
Copley	Kelley, Mich.	Patterson, N. J.	Ward, N. Y.
Coughlin	Kendall	Perkins	White, Me.
Cramton	Kennedy	Perlman	Winslow
Dale	Kiess	Ransley	Wise
Dunn	Kinkaid	Reber	Woodruff
Ellis	Kitchin	Reed, W. Va.	Wyant
Fairchild	Knight	Robsion	Yates

So the resolution was agreed to.

The following additional pairs were announced:

On this vote:

Mr. WINSLOW (for) with Mr. COCKRAN (against).

Mr. LUFKIN (for) with Mr. SULLIVAN (against).

Mr. HUKRIEDE (for) with Mr. GALLIVAN (against).

Mr. ROSE (for) with Mr. KITCHIN (against).

Mr. PAIGE (for) with Mr. FIELDS (against).

Mr. REBER (for) with Mr. SISSON (against).

Mr. WYANT (for) with Mr. BUCHANAN (against).

Mr. WOODRUFF (for) with Mr. GILBERT (against).

Until further notice:

Mr. ANTHONY with Mr. BRINSON.

Mr. BROWNE of Wisconsin with Mr. HAYDEN.

Mr. FISH with Mr. WISE.

Mr. GREENE of Vermont with Mr. OVERSTREET.

Mr. HUTCHINSON with Mr. UPSHAW.

Mr. MCPHERSON with Mr. TAYLOR of Colorado.

Mr. MONDELL with Mr. CLARK of Florida.

Mr. PATTERSON of New Jersey with Mr. STOLL.

Mr. TOWNER with Mr. JACOWAY.

Mr. MUDD with Mr. PARK of Georgia.

Mr. STRONG of Pennsylvania with Mr. O'CONNOR.

Mr. MORIN with Mr. MEAD.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. DOWELL). Without objection, the Chair will appoint the following conferees.

There was no objection.

The Clerk read the names of the conferees, as follows:

Mr. FORDNEY, Mr. GREEN of Iowa, Mr. LONGWORTH, Mr. GARNER, and Mr. COLLIER.

IMMIGRATION—CONFERENCE REPORT.

Mr. JOHNSON of Washington. Mr. Speaker, I call up the conference report on the bill H. R. 4075, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Washington? [After a pause.] The Chair hears none.

The Clerk read the statement.

Mr. SMITH. If it does not lead to any lengthy debate, I will yield.

Mr. WARREN. I will withdraw it if it leads to any debate.

Mr. SMITH. Very well.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Chair lays before the Senate a joint resolution from the House of Representatives.

The joint resolution (H. J. Res. 123) to provide funds for the repair of the elevator in the Washington Monument, was read twice by its title.

Mr. POINDEXTER. What is the emergency making it necessary to interrupt the consideration of the naval appropriation bill?

Mr. WARREN. The elevator can not be run at all. It will not take longer than the time required to read the resolution and vote upon it to pass it. People are disappointed every day when they come to Washington and can not go up in the Monument.

Mr. POINDEXTER. The elevator is out of commission?

Mr. WARREN. It is.

Mr. POINDEXTER. I reserve the right to object in case there should be debate over it.

Mr. WARREN. I ask that in the RECORD the joint resolution may be referred to the Committee on Appropriations, and I am already instructed by that committee, if so referred, to ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be referred to the Committee on Appropriations.

Mr. WARREN. I report it back favorably from the Committee on Appropriations and ask unanimous consent for its present consideration, with the understanding that I shall not pursue the consideration of it if it leads to any debate.

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read as follows:

Resolved, etc., That the sum of $900 of the appropriation for the fiscal year 1922 for care and maintenance of the Washington Monument is hereby made immediately available, and for special repairs to the elevator and other mechanical equipment of the Monument there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,500, to continue available until June 30, 1922.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. WARREN. I ask that two brief letters from the President to the chairman of the House Committee on Appropriations may be inserted in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the letters will be inserted in the RECORD.

The letters are as follows:

THE WHITE HOUSE,
Washington, May 20, 1921.

Hon. JAMES W. GOOD,
Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.

MY DEAR MR. GOOD: It has just come to my knowledge that the running of the elevator in the Washington Monument has been stopped because of wear in the machinery connected therewith. It is understood that the cost of such repairs as may be necessary to permit the operation of the elevator to be resumed will amount to about $900, but that the appropriation for the present fiscal year is so nearly exhausted that there is not a sufficient balance for this purpose, and the Deputy Comptroller of the Treasury has expressed an opinion informally that it would not be legal to have the repairs made now and pay for them out of the appropriation which has been provided for the fiscal year beginning July 1.

As many visitors will be prevented from ascending to the top of the Monument until the elevator is again running, it is submitted whether your committee would not authorize the payment from the appropriation for 1922 of the cost of making these repairs at once.

I should be glad if this matter could be acted upon favorably in order that the public may not be deprived any longer than necessary of the facilities for visiting the top of the Monument.

Sincerely, yours,

WARREN G. HARDING.

THE WHITE HOUSE,
Washington, May 20, 1921.

Hon. JAMES W. GOOD, M. C.,
Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.

MY DEAR MR. GOOD: Referring to my letter of [illegible] late to you on the subject of permitting a portion of the appropriation for the care of the Washington Monument for the fiscal year ending June 30, 1922, to be used to pay for repairs which are needed at the present time to the machinery of the elevator, it appears that the pulleys upon which the cables of the elevator car run should be replaced with new sheaves and that other repairs to the elevator machinery should be made in order that it may be placed in first-class condition. It is estimated that this will cost about $2,500, and it is recommended that a deficiency appropriation for the fiscal year 1922 be provided at as early a date as possible, in order that the necessary replacement may be made during the present summer.

The regular appropriation for the maintenance of the Monument for 1922 will not permit of this extraordinary expenditure being made therefrom.

Very truly, yours,

WARREN G. HARDING.

EMERGENCY TARIFF—CONFERENCE REPORT.

Mr. McCUMBER. Will the Senator from South Carolina yield to me, that I may submit a conference report?

Mr. SMITH. I yield for that purpose.

Mr. McCUMBER. The chairman of the committee of conference on the disagreeing votes of the two Houses on the emergency tariff bill, the senior Senator from Pennsylvania [Mr. PENROSE], is unavoidably absent from the Senate and he has asked me to submit the conference report.

I desire simply to say in presenting this report that there has been no substantial change whatever in the bill with the exception that the dye provision which was to continue for six months is amended to continue for only three months. I ask the Senator from North Carolina [Mr. SIMMONS] if in view of this statement there would be any objection to asking unanimous consent for the present consideration of the report and disposing of the matter?

Mr. SIMMONS. I did not know that it was the purpose of the Senator to ask for the immediate consideration of the report.

Mr. SMITH. If it is going to lead to discussion I must object.

Mr. McCUMBER. If it is going to lead to discussion I shall not insist on the consideration of the report at this time.

Mr. SMITH. It is being discussed now.

Mr. SIMMONS. I am not going to discuss it. I simply suggest to the Senator from North Dakota [Mr. McCUMBER] that if he will withhold his request for a short time I shall be able to give him an answer as to its consideration to-day.

Mr. McCUMBER. I will just submit the report now, and we will take up the matter later.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by said amendment, insert the following:

"TITLE II.—ANTIDUMPING.

"DUMPING INVESTIGATION.

"SEC. 201. (a) That whenever the Secretary of the Treasury (hereinafter in this act called the 'Secretary'), after such investigation as he deems necessary, finds that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of a class or kind of foreign merchandise, and that merchandise of such class or kind is being sold or is likely to be sold in the United States or elsewhere at less than its fair value, then he shall make such finding public to the extent he deems necessary, together with a description of the class or kind of merchandise to which it applies in such detail as may be necessary for the guidance of the appraising officers.

"(b) Whenever, in the case of any imported merchandise of a class or kind as to which the Secretary has not so made public a finding, the appraiser or person acting as appraiser has reason to believe or suspect, from the invoice or other papers or from information presented to him, that the purchase price is less, or that the exporter's sales price is less or likely to be less, than the foreign market value (or, in the absence of such value, than the cost of production) he shall forthwith, under regulations prescribed by the Secretary, notify the Secretary of such fact and withhold his appraisement report to the collector as to such merchandise until the further order of the Secretary, or until the Secretary has made public a finding as provided in subdivision (a) in regard to such merchandise.

"SPECIAL DUMPING DUTY.

"SEC. 202. (a) That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no appraisement report to the collector before such finding has been so made public, if the purchase price or the exporter's sales price is less than the foreign market value (or, in the absence of such value, than the cost of production)

there shall be levied, collected, and paid, in addition to the duties imposed thereon by law, a special dumping duty in an amount equal to such difference.

"(b) If it is established to the satisfaction of the appraising officers that the amount of such difference between the purchase price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers for exportation to the United States in the ordinary course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then due allowance shall be made therefor in determining the foreign market value for the purposes of this section.

"(c) If it is established to the satisfaction of the appraising officers that the amount of such difference between the exporter's sales price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the United States in the ordinary course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then due allowance shall be made therefor in determining the foreign market value for the purposes of this section.

"PURCHASE PRICE.

"SEC. 203. That for the purposes of this title, the purchase price of imported merchandise shall be the price at which such merchandise has been purchased or agreed to be purchased, prior to the time of exportation, by the person by whom or for whose account the merchandise is imported, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States; and plus the amount, if not included in such price, of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller, in respect to the manufacture, production, or sale of the merchandise, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States.

"EXPORTER'S SALES PRICE.

"SEC. 204. That for the purpose of this title the exporter's sales price of imported merchandise shall be the price at which such merchandise is sold or agreed to be sold in the United States, before or after the time of importation, by or for the account of the exporter, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less (1) the amount, if any, included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States; (2) the amount of the commissions, if any, for selling in the United States the particular merchandise under consideration; (3) an amount equal to the expenses, if any, generally incurred by or for the account of the exporter in the United States in selling identical or substantially identical merchandise; and (4) the amount of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller in respect to the manufacture, production, or sale of the merchandise, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States.

"FOREIGN MARKET VALUE.

"SEC. 205. That for the purposes of this title the foreign market value of imported merchandise shall be the price, at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition packed ready for shipment to the United States, except that in the case of merchandise purchased or agreed to be purchased by the person by whom or for whose account the merchandise is imported, prior to the time of exportation, the foreign market value shall be ascertained as of the date of such purchase or agreement to purchase. In the ascertainment of foreign market value for the purposes of this title no pretended sale or offer for sale, and no sale or offer for sale intended to establish a fictitious market, shall be taken into account.

"COST OF PRODUCTION.

"SEC. 206. That for the purposes of this title the cost of production of imported merchandise shall be the sum of—

"(1) The cost of materials of, and of fabrication, manipulation, or other process employed in manufacturing or producing, identical or substantially identical merchandise, at a time preceding the date of shipment of the particular merchandise under consideration which would ordinarily permit the manufacture or production of the particular merchandise under consideration in the usual course of business;

"(2) The usual general expenses (not less than 10 per cent of such cost) in the case of identical or substantially identical merchandise;

"(3) The cost of all containers and coverings, and all other costs, charges, and expenses incident to placing the particular merchandise under consideration in condition, packed ready for shipment to the United States; and

"(4) An addition for profit (not less than 8 per cent of the sum of the amounts found under paragraphs (1) and (2)) equal to the profit which is ordinarily added, in the case of merchandise of the same general character as the particular merchandise under consideration, by manufacturers or producers in the country of manufacture or production who are engaged in the same general trade as the manufacturer or producer of the particular merchandise under consideration.

"EXPORTER.

"SEC. 207. That for the purposes of this title the exporter of imported merchandise shall be the person by whom or for whose account the merchandise is imported into the United States:

"(1) If such person is the agent or principal of the exporter, manufacturer, or producer; or

"(2) If such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business of the exporter, manufacturer, or producer; or

"(3) If the exporter, manufacturer, or producer owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in any business conducted by such person; or

"(4) If any person or persons, jointly or severally, directly or indirectly, through stock ownership or control or otherwise, own or control in the aggregate 20 per cent or more of the voting power or control in the business carried on by the person by whom or for whose account the merchandise is imported into the United States, and also 20 per cent or more of such power or control in the business of the exporter, manufacturer, or producer.

"OATHS AND BONDS ON ENTRY.

"SEC. 208. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and delivery of which has not been made by the collector before such finding has been so made public, unless the person by whom or for whose account such merchandise is imported makes oath before the collector, under regulations prescribed by the Secretary, that he is not an exporter, or unless such person declares under oath at the time of entry, under regulations prescribed by the Secretary, the exporter's sales price of such merchandise, it shall be unlawful for the collector to deliver the

merchandise until such person has made oath before the collector, under regulations prescribed by the Secretary, that the merchandise has not been sold or agreed to be sold by such person, and has given bond to the collector, under regulations prescribed by the Secretary, with sureties approved by the collector, in an amount equal to the estimated value of the merchandise, conditioned: (1) That he will report to the collector the exporter's sales price of the merchandise within 30 days after such merchandise has been sold or agreed to be sold in the United States, (2) that he will pay on demand from the collector the amount of special dumping duty, if any, imposed by this title upon such merchandise, and (3) that he will furnish to the collector such information as may be in his possession and as may be necessary for the ascertainment of such duty, and will keep such records as to the sale of such merchandise as the Secretary may by regulation prescribe.

"DUTIES OF APPRAISERS.

"SEC. 209. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no appraisement report to the collector before such finding has been so made public, it shall be the duty of each appraiser or person acting as appraiser, by all reasonable ways and means to ascertain, estimate, and appraise (any invoice or affidavit thereto or statement of cost of production to the contrary notwithstanding) and report to the collector the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and any other facts which the Secretary may deem necessary for the purposes of this title.

"APPEALS AND PROTESTS.

"SEC. 210. That for the purposes of this title the determination of the appraiser or person acting as appraiser as to the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and the action of the collector in assessing special dumping duty, shall have the same force and effect and be subject to the same right of appeal and protest, under the same conditions and subject to the same limitations; and the general appraisers, the Board of General Appraisers, and the Court of Customs Appeals shall have the same jurisdiction, powers, and duties in connection with such appeals and protests as in the case of appeals and protests relating to customs duties under existing law.

"DRAWBACKS.

"SEC. 211. That the special dumping duty imposed by this title shall be treated in all respects as regular customs duties within the meaning of all laws relating to the drawback of customs duties.

"SHORT TITLE.

"SEC. 212. That this title may be cited as the 'Antidumping act, 1921.'

"TITLE III.—ASSESSMENT OF AD VALOREM DUTIES.

"SEC. 301. That whenever merchandise which is imported into the United States is subject to an ad valorem rate of duty or to a duty based upon or regulated in any manner by the value thereof, duty shall in no case be assessed on a value less than the export value of such merchandise.

"EXPORT VALUE.

"SEC. 302. That for the purposes of this title the export value of imported merchandise shall be the price at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade, for exportation to the United States, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition packed ready for shipment to the United States, less the amount, if any included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, and plus, if not included in such price, the amount of any export tax imposed by the country of exportation on merchandise exported to the United States.

"REFERENCES TO 'VALUE' IN EXISTING LAW.

"SEC. 303. (a) That wherever in Title I of this act, or in the tariff act of 1913, as amended, or in any law of the United States in existence at the time of the enactment of this act relative to the appraisement of imported merchandise (except sections 2874, 2976, and 3016 of the Revised Statutes, and section 801 of the revenue act of 1916), reference is made to the value of imported merchandise (irrespective of the particular phraseology used and irrespective of whether or not such phraseology is limited or qualified by words referring to country or port of exportation or principal markets) such reference shall, in respect to all merchandise imported on or after the day this act takes effect, be construed to refer, except as provided in subdivision (b), to actual market value as defined by the law in existence at the time of the enactment of this act, or to export value as defined by section 302 of this act, whichever is higher.

"(b) If the rate of duty upon imported merchandise is in any manner dependent upon the value of any component material thereof, such value shall be an amount determined under the provisions of the tariff act of 1913, as in force prior to the enactment of this act.

"DEFINITIONS.

"SEC. 304. That when used in this title the term 'Tariff act of 1913' means the act entitled 'An act to reduce tariff duties and provide revenue for the Government, and for other purposes,' approved October 3, 1913.

"TITLE IV.—GENERAL PROVISIONS.

"STATEMENTS IN INVOICE.

"SEC. 401. That all invoices of imported merchandise, and all statements in the form of an invoice, in addition to the statements required by law in existence at the time of the enactment of this act, shall contain such other statements as the Secretary may by regulation prescribe, and a statement as to the currency in which made out, specifying whether gold, silver, or paper.

"STATEMENTS AT TIME OF ENTRY.

"SEC. 402. That the owner, importer, consignee, or agent, making entry of imported merchandise, shall set forth upon the invoice, or statement in the form of an invoice, and in the entry, in addition to the statements required by the law in existence at the time of the enactment of this act such statements, under oath if required, as the Secretary may by regulation prescribe.

"CONVERSION OF CURRENCY.

"SEC. 403. (a) That section 25 of the act of August 27, 1894, entitled 'An act to reduce taxation, to provide revenue for the Government, and for other purposes,' is amended to read as follows:

"'SEC. 25. That the value of foreign coin as expressed in the money of account of the United States shall be that of the pure metal of such coin of standard value; and the values of the standard coins in circulation of the various nations of the world shall be estimated quarterly by the Director of the Mint and be proclaimed by the Secretary of the Treasury quarterly on the 1st day of January, April, July, and October in each year.'

"(b) For the purpose of the assessment and collection of duties upon merchandise imported into the United States on or after the day of the enactment of this act, wherever it is necessary to convert foreign currency into currency of the United States, such conversion, except as provided in subdivision (c), shall be made at the values proclaimed by the Secretary under the provisions of section 25 of such act of August 27, 1894, for the quarter in which the merchandise was exported.

"(c) If no such value has been proclaimed, or if the value so proclaimed varies by 5 per cent or more from a value measured by the buying rate in the New York market at noon on the day of exportation, conversion shall be made at a value measured by such buying rate. For the purposes of this subdivision such buying rate shall be the buying rate for cable transfers payable in the foreign currency so to be converted; and shall be determined by the Federal Reserve Bank of New York and certified daily to the Secretary, who shall make it public at such times and to such extent as he deems necessary. In ascertaining such buying rate such Federal reserve bank may in its discretion (1) take into consideration the last ascertainable transactions and quotations, whether direct or through the exchange of other currencies, and (2) if there is no market buying rate for such cable transfers, calculate such rate from actual transactions and quotations in demand or time bills of exchange.

"(d) Sections 2903 and 3565 of the Revised Statutes are repealed.

"(e) Section 25 of such act of August 27, 1894, as in force prior to the enactment of this act, and section 2903 of the Revised Statutes, shall remain in force for the assessment and collection of duties on merchandise imported into the United States prior to the day of the enactment of this act.

"INSPECTION OF EXPORTER'S BOOKS.

"SEC. 404. That if any person manufacturing, producing, selling, shipping, or consigning merchandise exported to the United States fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the market value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation into the United States of merchandise manufactured, produced, sold, shipped or consigned by such person, and (2) may instruct the collectors to withhold delivery of merchandise manufactured, produced, sold, shipped, or consigned by such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

"INSPECTION OF IMPORTER'S BOOKS.

"SEC. 405. That if any person importing merchandise into the United States or dealing in imported merchandise fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation of merchandise into the United States by or for the account of such person, and (2) shall instruct the collectors to withhold delivery of merchandise imported by or for the account of such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

"DEFINITIONS.

"SEC. 406 That when used in Title II or Title III or in this title—

"The term 'person' includes individuals, partnerships, corporations, and associations; and

"The term 'United States' includes all Territories and possessions subject to the jurisdiction of the United States, except the Philippine Islands, the Virgin Islands, the islands of Guam and Tutuila, and the Canal Zone.

"RULES AND REGULATIONS.

"SEC. 407. That the Secretary shall make rules and regulations necessary for the enforcement of this act.

"TITLE V.—DYES AND CHEMICALS.

"SEC. 501. (a) That on and after the day following the enactment of this act, for the period of three months, no sodium nitrite, no dyes or dyestuffs, including crudes and intermediates, no product or products derived directly or indirectly from coal tar (including crudes, intermediates, finished or partly finished products, and mixtures and compounds of such coal-tar products), and no synthetic organic drugs or synthetic organic chemicals, shall be admitted to entry or delivered from customs custody in the United States or in any of its possessions unless the Secretary determines that such article or a satisfactory substitute therefor is not obtainable in the United States or in any of its possessions in sufficient quantities and on reasonable terms as to quality, price and delivery, and that such article in the quantity to be admitted is required for consumption by an actual consumer in the United States or in any of its possessions within six months after receipt of the merchandise.

"(b) Upon the day following the enactment of this act the War Trade Board Section of the Department of State shall cease to exist; all clerks and employees of such War Trade Board Section shall be transferred to and become clerks and employees of the Treasury Department and all books, documents, and other records relating to such dye and chemical import control of such War Trade Board Section shall become books, documents and records of the Treasury Department. All individual licenses issued by such War Trade Board Section prior to the enactment of this act shall remain in effect during the period of their validity, and the importations under such licenses shall be permitted. All unexpended funds and appropriations for the use and maintenance of such War Trade Board Section shall become funds and appropriations available to be expended by the Secretary in the exercise of the power and authority conferred upon him by this section.

"SEC. 502. That this title may be cited as the 'dye and chemical control act, 1921.'"

And the Senate agree to the same.

BOIES PENROSE,
P. J. MCCUMBER,
REED SMOOT,
Managers on the part of the Senate.

J. W. FORDNEY,
W. R. GREEN,
NICHOLAS LONGWORTH,
Managers on the part of the House.

SUBMARINE CABLES.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 535) to prevent the unauthorized landing of submarine cables in the United States, which were, on page 1, line 8, to strike out "however"; on page 1, line 9, after "any" to insert "such"; on page 1, line 12, to strike out "of the approval of"; on page 1, line 12, after "act" to insert "takes effect: *And provided further*, That the conditions of this act shall not apply to cables, all of which, including both terminals, lie wholly within the continental United States"; on page 1, line 14, after "satisfied," to insert "after due notice and hearing"; on page 2, line 15, after "act," to strike out the remainder of the section and insert "When any such cable is about to be or is landed or is being operated, without a license, any district court of the United States exercising jurisdiction in the district in which such cable is about to be or is landed, or any district court of the United States having jurisdiction of the parties, shall have jurisdiction, at the suit of the United States, to enjoin the landing or operation of such cable or to compel, by injunction, the removal thereof," and to amend the title so as to read: "An act relating to the landing and operation of submarine cables in the United States."

Mr. KELLGOG. I move that the Senate concur in the amendments of the House.

Mr. KING. Mr. President, may I inquire of the Senator what changes, if any, have been made?

Mr. KELLOGG. I can state them in a moment.

The only material change is that made by amendment numbered 4, excepting cables laid between portions of continental United States. The telephone companies thought the bill as passed by the Senate would interfere with their lines laid under rivers and harbors. There was no such intention, and I do not think the bill would have interfered with them, but such cables have been excepted.

The second amendment simply limits the right to bring a suit to the United States. I think it was limited in that way anyhow, but the House thought it should be made clear.

That is all there is to it.

The PRESIDENT pro tempore. The Senator from Minnesota moves that the Senate concur in the House amendments.

The motion was agreed to.

NAVAL APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 4803) making appropriations for the naval service for the fiscal year ending June 30, 1922, and for other purposes.

Mr. SMITH. I have not entered into this debate, Mr. President, up to the present time because I felt that, perhaps, the committee which had this matter in charge, as patriotic men, had investigated the situation and thoroughly ascertained the needs of the Government, and that the bill reported by them reflected these needs; but there are repeated in this bill certain evils and misrepresentations in reference to our coastal defenses and our naval bases that need to be brought to the attention of this body.

After the World War broke out, when we were swept into that maelstrom and the call came to defend this country from a possible overrunning by the forces that were rapidly gaining the ascendancy in Europe, when we thought it was our patriotic duty not only to defend the honor of the American flag which had been outraged upon the high seas but to carry our resentment as well as our defense against our enemy to the shores of a foreign country, and the summons came to the American boys to respond to the defense of America, it is not on the record that that section of the country which I in part have the honor to represent was derelict in its duty.

Ah, Mr. President, when that red line of battle was rapidly sweeping over the soil of devoted France and approaching even the shores of England, when the British had their backs to the wall and could go no farther, and France was bled white, the

and colleagues on the other side of the aisle wil[l] see fit, when this comes into the Senate, to reverse their ac[tion] and allow this matter to stand, as it is so manifestly needed [in] that section of our country.

EMERGENCY TARIFF—CONFERENCE REPORT.

Mr. SMOOT. Mr. President, a few moments a[go] the Senator from North Dakota [Mr. MCCUMBER] asked unan[imous] consent for the consideration of the conference report on [the] emergency tariff bill. The Senator from North Carolina [Mr. SIMMONS] asked that it might go over for a few moments, [until] he could ascertain if there was any objection to its presen[t] consideration on the other side of the aisle. The Senator from [North] Dakota informs me that there is no objection, and he j[oins] with me in asking unanimous consent for its present cons[ideration]. So I ask the Senator from Washington [Mr. POINDE[XTER] if he will not allow the report to be presented to the Sen[ate] at this time, and if it leads to any discussion at all I will r[e]sist that it shall be considered.

The PRESIDENT pro tempore. Is there any [objection] to the request of the Senator from Utah?

Mr. POINDEXTER. With the statement of [the] Senator from Utah and upon that condition, reserving the r[ight] to object, I will not object at this time.

Mr. ROBINSON. Mr. President, I do not [ask] that the consideration of the request at this time will o[ccasion] any very great discussion, but I do think that a brief s[tatement] should be made to the Senate, by the Senator from U[tah] or some one else, in explanation of what the conferees did; [and] I shall ask that that be done if the request is taken up at th[is] time.

Mr. SMOOT. About the only change that w[as] made in the bill as it passed the Senate was in the prov[ision] relating to dyestuffs. In the bill as it passed the Senate [the] provision was to remain in operation for six months. [The] conferees agreed to cut the time down to three months.

Mr. ROBINSON. With that exception, the bi[ll] is it passed the Senate?

Mr. SMOOT. Just as it passed the Senate.

Mr. ROBINSON. I think we understand wh[at] it is.

Mr. SIMMONS. Mr. President, when I left [the] chamber I had understood that I would be notified before [the] report was called up.

Mr. SMOOT. I desire to say to the Senat[or] from North Carolina that the Senator from North Dakota [Mr. MCCUMBER] had told me that he had seen the Senator from [North] Carolina, and that that Senator had no objection to it at [this] time.

Mr. SIMMONS. Mr. President, I have no [objection] to its being called up; but, as the Senator from Ar[izona] has just said, it is very proper that we should have a [statement] as to what the conferees have done.

The Senator from Utah has correctly stated [what] was done. It is practically the same bill that passed the [Senate], except the change with reference to the licensing pro[vision] as to dyestuffs, which was reduced from six months to [three] months. I do not object to the present consideration of t[he] report.

The PRESIDENT pro tempore. Is there [any] objection to the present consideration of the conference report o[n the] emergency tariff bill? The Chair hears none, and the ques[tion] is on agreeing to the conference report.

Mr. SIMMONS. Upon that question I ask [for] the yeas and nays.

The yeas and nays were ordered, and the [Secretary] clerk proceeded to call the roll.

Mr. FLETCHER (when Mr. TRAMMELL'S n[ame] was called). I desire to announce that my colleague [Mr. TRAMMELL] is necessarily absent. He is paired with the Senator fr[om] Rhode Island [Mr. COLT]. I ask that this announcement m[ay] stand for the day.

Mr. WILLIAMS (when his name was called). I [transfer my] pair with the senior Senator from Pennsylvani[a] [Mr. PENROSE] to the senior Senator from Missouri [Mr. REED] [and vote] "nay."

Mr. WOLCOTT (when his name was called). [Has] the senior Senator from Indiana [Mr. WATSON] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. WOLCOTT. I have a pair with that Se[nator] and in his absence I am not at liberty to vote. If at l[iberty] to vote, I would vote "nay."

Mr. DIAL. I transfer my pair with the Se[nator] from Colorado [Mr. PHIPPS] to the Senator from Rhod[e] Island [Mr. GERRY] and vote "nay."

Mr. EDGE. I transfer my pair with the senio[r] Senator from Oklahoma [Mr. OWEN] to the senior Senator f[rom] Maryland [Mr. FRANCE] and vote "yea."

Mr. WOLCOTT. I transfer my general pair w[ith] the senior Senator from Indiana [Mr. WATSON] to the senio[r] Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. HARRISON. I wish to announce the absence of the Senator from Rhode Island [Mr. GERRY], the Senator from Nevada [Mr. PITTMAN], and the Senator from Oklahoma [Mr. OWEN] on official business. I was requested to state that if the Senator from Rhode Island [Mr. GERRY] were present he would vote "nay."

The result was announced—yeas 53, nays 25, as follows:

YEAS—53.

Ashurst	Ernst	Lenroot	Ransdell
Ball	Frelinghuysen	Lodge	Sheppard
Borah	Gooding	McCormick	Shortridge
Brandegee	Hale	McCumber	Smoot
Broussard	Harreld	McKinley	Spencer
Bursum	Johnson	McLean	Stanfield
Calder	Jones, Wash.	McNary	Sterling
Cameron	Kellogg	Nelson	Sutherland
Capper	Kendrick	New	Wadsworth
Cummins	Kenyon	Newberry	Warren
Curtis	Keyes	Nicholson	Willis
Dillingham	Knox	Norris	
Edge	Ladd	Oddie	
Elkins	La Follette	Poindexter	

NAYS—25.

Caraway	Hitchcock	Shields	Walsh, Mont.
Dial	King	Simmons	Watson, Ga.
Fletcher	McKellar	Smith	Williams
Glass	Moses	Stanley	Wolcott
Harris	Overman	Swanson	
Harrison	Pomerene	Underwood	
Heflin	Robinson	Walsh, Mass.	

NOT VOTING—18.

Colt	Jones, N. Mex.	Penrose	Trammell
Culberson	Myers	Phipps	Watson, Ind.
Fernald	Norbeck	Pittman	Weller
France	Owen	Reed	
Gerry	Page	Townsend	

So the conference report was agreed to.

NAVAL APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 4803) making appropriations for the naval service for the fiscal year ending June 30, 1922, and for other purposes.

The PRESIDENT pro tempore. The pending amendment will be stated.

The READING CLERK. On page 26, after line 9, under the subhead "Naval supply base, Alameda, Calif.," the committee propose to insert "Toward dredging, excavating, and grading, $1,500,000," and so forth.

Mr. ROBINSON. Mr. President, I have received a large number of communications severely criticizing this appropriation as unnecessary and unjustifiable. Opportunity has not been afforded me to go into the matter in detail so as to reach a conclusion as to whether the information so given me is accurate and reliable.

It has been said that within a few miles of this proposed naval base is already a navy yard owned and occupied by the Government for approximately 60 years, namely, Mare Island, and that the adoption of this provision contemplates the abandonment of Mare Island, or at least that this course could be implied in the creation of a naval base at Alameda. I have said that I do not know whether the complaints which have been made against the proposition are justified, but it is said that the Alameda location is a swamp which it will require the expenditure of millions of dollars to reclaim, and that in the reclamation of that swamp privately owned property near by will be appreciated in value millions if not hundreds of millions of dollars. It is also claimed by some that Mare Island, with the expenditure of a comparatively small sum, can be made to accomplish every purpose which the Government has in view in the establishment of a naval base at Alameda.

This subject, I find, was gone into quite extensively before the Committee on Naval Affairs, perhaps a year ago. I have not had an opportunity of reading the testimony. I realize fully the importance and necessity of a naval base on the Pacific coast. There is already one at San Diego, and there is a navy yard at Mare Island, 25 or 30 miles from Alameda. Before this item is disposed of I think some member of the committee who stands sponsor for it ought to give a very full explanation of the reasons that prompted the committee to report the amendment.

The subject, I believe, was investigated at great length before a committee of the body at the other end of the Capitol, and it was also investigated by a special joint committee of Congress. It is perfectly clear that if, with the expenditure of a small sum, Mare Island can be expanded into a naval base adequate for the requirements of the service, there is neither need nor justification for this initial appropriation, which, I am told, means the expenditure of $60,000,000 to $100,000,000 before the enterprise is finally consummated.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 23, 1921.*

The House met at 12 o'clock noon.

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

Almighty God, Thou art the Ancient of Days, the infinite I am, who made life and who will preserve and redeem it. In Thy holy presence we humbly linger at the doorway of labor. We thank Thee that life is a gift that acquires greater value every day. Impress us that mercy is more acceptable than sacrifice, and goodness more to be desired than greatness, and lead us on, "o'er moor and fen," until heaven breaks in sight. Through Jesus Christ our Lord. Amen.

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

EMERGENCY TARIFF—CONFERENCE REPORT.

Mr. FORDNEY. Mr. Speaker, I call up the conference report on H. R. 2435, the emergency tariff bill, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Michigan calls up the conference report on the bill H. R. 2435, the emergency tariff bill, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The report and statement are as follows:

The committee of conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by said amendment insert the following:

"TITLE II.—ANTIDUMPING

"DUMPING INVESTIGATION

"SEC. 201. (a) That whenever the Secretary of the Treasury (hereinafter in this act called the 'Secretary') after such investigation as he deems necessary, finds that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of a class or kind of foreign merchandise, and that merchandise of such class or kind is being sold or is likely to be sold in the United States or elsewhere at less than its fair value, then he shall make such finding public to the extent he deems necessary, together with a description of the class or kind of merchandise to which it applies in such detail as may be necessary for the guidance of the appraising officers.

"(b) Whenever, in the case of any imported merchandise of a class or kind as to which the Secretary has not so made public a finding, the appraiser or person acting as appraiser has reason to believe or suspect, from the invoice or other papers or from information presented to him, that the purchase price is less, or that the exporter's sales price is less or more likely to be less, than the foreign market value (or, in the absence of such value, than the cost of production) he shall forthwith, under regulations prescribed by the Secretary, notify the Secretary of such fact and withhold his appraisement report from the collector as to such merchandise until the further order of the Secretary, or until the Secretary has made public a finding as provided in subdivision (a) in regard to such merchandise.

"SPECIAL DUMPING DUTY.

"SEC. 202. (a) That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no appraisement report to the collector before such finding has been so made public, if the purchase price or the exporter's sales price is less than the foreign market value (or, in the absence of such value, than the cost of production) there shall be levied, collected, and paid, in addition to the duties imposed thereon by law, a special dumping duty in an amount equal to such difference.

"(b) If it is established to the satisfaction of the appraising officers that the amount of such difference between the purchase price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers for exportation to the United States in the ordinary course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then due allowance shall be made therefor in determining the foreign market value for the purposes of this section.

"(c) If it is established to the satisfaction of the appraising officers that the amount of such difference between the exporter's sales price and the foreign market value is wholly or partly due to the fact that the wholesale quantities, in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the United States in the ordinary course of trade, are greater than the wholesale quantities in which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country of exportation in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), then due allowance shall be made therefor in determining the foreign market value for the purposes of this section.

"PURCHASE PRICE.

"SEC. 203. That for the purposes of this title, the purchase price of imported merchandise shall be the price at which such merchandise has been purchased or agreed to be purchased, prior to the time of exportation, by the person by whom or for whose account the merchandise is imported, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States; and plus the amount, if not included in such price, of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller, in respect to the manufacture, production, or sale of the merchandise, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States.

"EXPORTER'S SALES PRICE.

"SEC. 204. That for the purpose of this title the exporter's sales price of imported merchandise shall be the price at which such merchandise is sold or agreed to be sold in the United States, before or after the time of importation, by or for the account of the exporter, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less (1) the amount, if any, included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, (2) the amount of the commissions, if any, for selling in the United States the particular merchandise under consideration, (3) an amount equal to the expenses, if any, generally incurred by or for the account of the exporter in the United States in selling identical or substantially identical merchandise, and (4) the amount of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation upon the manufacturer, producer, or seller in respect to the manufacture, production, or sale of the merchandise, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States.

"FOREIGN MARKET VALUE.

"SEC. 205. That for the purposes of this title the foreign market value of imported merchandise shall be the price, at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade for home consumption (or, if not so sold or offered for sale for home consumption, then for exportation to countries other than the United States), plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition packed ready for shipment to the United States, except that in the case of merchandise purchased or agreed to be purchased by the person by whom or for whose account the merchandise is imported, prior to the time of exportation, the foreign market value shall be ascertained as of the date of such purchase or agreement to purchase. In the ascertainment of foreign market value for the purposes of this title, no pretended sale or offer for sale, and no sale or offer for sale intended to establish a fictitious market, shall be taken into account.

"COST OF PRODUCTION.

"SEC. 206. That for the purposes of this title the cost of production of imported merchandise shall be the sum of—

"(1) The cost of materials of, and of fabrication, manipulation, or other process employed in manufacturing or producing, identical or substantially identical merchandise, at a time preceding the date of shipment of the particular merchandise under consideration which would ordinarily permit the manufacture or production of the particular merchandise under consideration in the usual course of business;

"(2) The usual general expenses (not less than 10 per cent of such cost) in the case of identical or substantially identical merchandise;

"(3) The cost of all containers and coverings, and all other costs, charges, and expenses incident to placing the particular merchandise under consideration in condition, packed ready for shipment to the United States; and

"(4) An addition for profit (not less than 8 per cent of the sum of the amounts found under paragraphs (1) and (2)) equal to the profit which is ordinarily added, in the case of merchandise of the same general character as the particular merchandise under consideration, by manufacturers or producers in the country of manufacture or production who are engaged in the same general trade as the manufacturer or producer of the particular merchandise under consideration.

"EXPORTER.

"SEC. 207. That for the purposes of this title the exporter of imported merchandise shall be the person by whom or for whose account the merchandise is imported into the United States:

"(1) If such person is the agent or principal of the exporter, manufacturer, or producer; or

"(2) If such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business of the exporter, manufacturer, or producer; or

"(3) If the exporter, manufacturer, or producer owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in any business conducted by such person; or

"(4) If any person or persons, jointly or severally, directly or indirectly, through stock ownership or control or otherwise, own or control in the aggregate 20 per cent or more of the voting power or control in the business carried on by the person by whom or for whose account the merchandise is imported into the United States, and also 20 per cent or more of such power or control in the business of the exporter, manufacturer, or producer.

"OATHS AND BONDS ON ENTRY.

"SEC. 208. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and delivery of which has not been made by the collector before such finding has been so made public, unless the person by whom or for whose account such merchandise is imported makes oath before the collector, under regulations prescribed by the Secretary, that he is not an exporter, or unless such person declares under oath at the time of entry, under regulations prescribed by the Secretary, the exporter's sales price of such merchandise, it shall be unlawful for the collector to deliver the merchandise until such person has made oath before the collector, under regulations prescribed by the Secretary, that the merchandise has not been sold or agreed to be sold by such person, and has given bond to the collector, under regulations prescribed by the Secretary, with sureties approved by the collector, in an amount equal to the estimated value of the merchandise, conditioned: (1) that he will report to the collector the exporter's sales price of the merchandise within 30 days after such merchandise has been sold or agreed to be sold in the United States, (2) that he will pay on demand from the collector the amount of special dumping duty, if any, imposed by this title upon such merchandise, and (3) that he will furnish to the collector such information as may be in his possession and as may be necessary for the ascertainment of such duty, and will keep such records as to the sale of such merchandise as the Secretary may by regulation prescribe.

"DUTIES OF APPRAISERS.

"SEC. 209. That in the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary has made public a finding as provided in section 201, and as to which the appraiser or person acting as appraiser has made no appraisement report to the collector before such finding has been so made public, it shall be the duty of each appraiser or person acting as appraiser, by all reasonable ways and means to ascertain, estimate, and appraise (any invoice or affidavit thereto or statement of cost of production to the contrary notwithstanding) and report to the collector the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and any other facts which the Secretary may deem necessary for the purposes of this title.

"APPEALS AND PROTESTS.

"SEC. 210. That for the purposes of this title the determination of the appraiser or person acting as appraiser as to the foreign market value or the cost of production, as the case may be, the purchase price, and the exporter's sales price, and the action of the collector in assessing special dumping duty, shall have the same force and effect and be subject to the same right of appeal and protest, under the same conditions and subject to the same limitations; and the general appraisers, the Board of General Appraisers, and the Court of Customs Appeals shall have the same jurisdiction, powers, and duties in connection with such appeals and protests as in the case of appeals and protests relating to customs duties under existing law.

"DRAWBACKS.

"SEC. 211. That the special dumping duty imposed by this title shall be treated in all respects as regular customs duties within the meaning of all laws relating to the drawback of customs duties.

"SHORT TITLE.

"SEC. 212. That this title may be cited as the 'Antidumping act, 1921.'

"TITLE III.—ASSESSMENT OF AD VALOREM DUTIES.

"SEC. 301. That whenever merchandise which is imported into the United States is subject to an ad valorem rate of duty or to a duty based upon or regulated in any manner by the value thereof, duty shall in no case be assessed on a value less than the export value of such merchandise.

"EXPORT VALUE.

"SEC. 302. That for the purpose of this title the export value of imported merchandise shall be the price, at the time of exportation of such merchandise to the United States, at which such or similar merchandise is sold or freely offered for sale to all purchasers in the principal markets of the country from which exported, in the usual wholesale quantities and in the ordinary course of trade, for exportation to the United States, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, and plus, if not included in such price, the amount of any export tax imposed by the country of exportation on merchandise exported to the United States.

"REFERENCES TO 'VALUE' IN EXISTING LAW.

"SEC. 303. (a) That wherever in Title I of this act, or in the tariff act of 1913, as amended, or in any law of the United States in existence at the time of the enactment of this act relative to the appraisement of imported merchandise (except sections 2874, 2976, and 3016 of the Revised Statutes, and section 801 of the revenue act of 1916) reference is made to the value of imported merchandise (irrespective of the particular phraseology used and irrespective of whether or not such phraseology is limited or qualified by words referring to coun-

try or port of exportation or principal markets) such reference shall, in respect to all merchandise imported on or after the day this act takes effect, be construed to refer, except as provided in subdivision (b), to actual market value as defined by the law in existence at the time of the enactment of this act, or to export value as defined by section 30[illegible] of this act, whichever is higher.

"(b) If the rate of duty upon imported merchandise is in any manner dependent upon the value of any component material thereof, such value shall be an amount determined under the provisions of the tariff act of 1913, as in force prior to the enactment of this act.

"DEFINITIONS.

"SEC. 304. That when used in this title the term 'Tariff act of 1913' means the act entitled 'An act to reduce tariff duties and provide revenue for the Government, and for other purposes,' approved October 3, 1913.

"TITLE IV.—GENERAL PROVISIONS.

"STATEMENTS IN INVOICE.

"SEC. 401. That all invoices of imported merchandise, and all statements in the form of an invoice, in addition to the statements required by law in existence at the time of the enactment of this act, shall contain such other statements as the Secretary may by regulation prescribe, and a statement as to the currency in which made out, specifying whether gold, silver, or paper.

"STATEMENTS AT TIME OF ENTRY.

"SEC. 402. That the owner, importer, consignee, or agent, making entry of imported merchandise, shall set forth upon the invoice, or statement in the form of an invoice, and in the entry, in addition to the statements required by the law in existence at the time of the enactment of this act, such statements, under oath if required, as the Secretary may by regulation prescribe.

"CONVERSION OF CURRENCY.

"SEC. 403. (a) That section 25 of the act of August 27, 1894, entitled 'An act to reduce taxation, to provide revenue for the Government, and for other purposes,' is amended to read as follows:

"'SEC. 25. That the value of foreign coin as expressed in the money of account of the United States shall be that of the pure metal of such coin of standard value; and the values of the standard coins in circulation of the various nations of the world shall be estimated quarterly by the Director of the Mint and be proclaimed by the Secretary of the Treasury quarterly on the 1st day of January, April, July, and October of each year.'

"(b) For the purpose of the assessment and collection of duties upon merchandise imported into the United States on or after the day of the enactment of this act, whenever it is necessary to convert foreign currency into currency of the United States, such conversion, except as provided in subdivision (c), shall be made at the values proclaimed by the Secretary under the provisions of section 25 of such act of August 27, 1894, for the quarter in which the merchandise was exported.

"(c) If no such value has been proclaimed or if the value so proclaimed varies by 5 per cent or more from a value measured by the buying rate in the New York market at noon on the day of exportation, conversion shall be made at a value measured by such buying rate. For the purposes of this subdivision such buying rate shall be the buying rate for cable transfers payable in the foreign currency so to be converted; and shall be determined by the Federal reserve bank of New York and certified daily to the Secretary, who shall make it public at such times and to such extent as he deems necessary. In ascertaining such buying rate such Federal reserve bank may in its discretion (1) take into consideration the last ascertainable transactions and quotations, whether direct or through the exchange of other currencies, and (2) if there is no market buying rate for such cable transfers, calculate such rate from actual transactions and quotations in demand or time bills of exchange.

"(d) Sections 2903 and 3565 of the Revised Statutes are repealed.

"(e) Section 25 of such act of August 27, 1894, as in force prior to the enactment of this act, and section 2903 of the Revised Statutes, shall remain in force for the assessment and collection of duties on merchandise imported into the United States prior to the day of the enactment of this act.

"INSPECTION OF EXPORTER'S BOOKS.

"SEC. 404. That if any person manufacturing, producing, selling, shipping, or consigning merchandise exported to the United States fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the market value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation into the United States of merchandise manufactured, produced, sold, shipped or consigned by such person, and (2) may instruct the collectors to withhold delivery of merchandise manufactured, produced, sold, shipped or consigned by such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

"INSPECTION OF IMPORTER'S BOOKS.

"SEC. 405. That if any person importing merchandise into the United States or dealing in imported merchandise fails, at the request of the Secretary, or an appraiser, or person acting as appraiser, or a collector, or a general appraiser, or the Board of General Appraisers, as the case may be, to permit a duly accredited officer of the United States to inspect his books, papers, records, accounts, documents, or correspondence, pertaining to the value or classification of such merchandise, then while such failure continues the Secretary, under regulations prescribed by him, (1) shall prohibit the importation of merchandise into the United States by or for the account of such person, and (2) shall instruct the collectors to withhold delivery of merchandise imported by or for the account of such person. If such failure continues for a period of one year from the date of such instructions the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of forfeited merchandise.

"DEFINITIONS.

"SEC. 406. That when used in Title II or Title III or in this title—

"The term 'person' includes individuals, partnerships, corporations, and associations; and

"The term 'United States' includes all Territories and possessions subject to the jurisdiction of the United States, except the Philippine Islands, the Virgin Islands, the islands of Guam and Tutuila, and the Canal Zone.

"RULES AND REGULATIONS.

"SEC. 407. That the Secretary shall make rules and regulations necessary for the enforcement of this act.

"TITLE V.—DYES AND CHEMICALS.

"SEC. 501. (a) That on and after the day following the enactment of this act, for the period of three months, no sodium nitrite, no dyes or dyestuffs, including crudes and intermediates, no product or products derived directly or indirectly from coal tar (including crudes, intermediates, finished or partly finished products, and mixtures and compounds of such coal-tar products), and no synthetic organic drugs or synthetic organic chemicals, shall be admitted to entry or delivered from customs custody in the United States or in any of its possessions unless the Secretary determines that such article or a satisfactory substitute therefor is not obtainable in the United States or in any of its possessions in sufficient quantities and on reasonable terms as to quality, price and delivery, and that such article in the quantity to be admitted is required for consumption by an actual consumer in the United States or in any of its possessions within six months after receipt of the merchandise.

"(b) Upon the day following the enactment of this act the War Trade Board Section of the Department of State shall cease to exist; all clerks and employees of such War Trade Board Section shall be transferred to and become clerks and employees of the Treasury Department and all books, documents, and other records relating to such dye and chemical import control of such War Trade Board Section shall become books, documents and records of the Treasury Department. All individual licenses issued by such War Trade Board Section prior to the enactment of this act shall remain in effect during the period of their validity, and the importations under such licenses shall be permitted. All unexpended funds and appropriations for the use and maintenance of such War Trade Board Section shall become funds and appropriations available to be expended by the Secretary in the exercise of the power and authority conferred upon him by this section.

"SEC. 502. That this title may be cited as the 'Dye and chemical control act, 1921.'"

And the Senate agree to the same.

J. W. FORDNEY,
W. R. GREEN,
NICHOLAS LONGWORTH,
Managers on the part of the House.

BOIES PENROSE,
P. J. MCCUMBER,
REED SMOOT,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2435) to impose temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to said amendment:

TITLE II.

ANTIDUMPING.

The House bill (Title II) imposed a dumping duty on all imported merchandise sold at a price less than the foreign home value, or, in the absence of such value, at less than the value to countries other than the United States, or in the absence of both such values, at less than the cost of production.

The Senate bill adopts the basis of the House bill in determining the dumping duty, but provides that the antidumping title shall apply after an investigation by the Secretary of the Treasury and he has made public his finding that an industry in the United States is being or is likely to be injured, or is prevented from being established by reason of the importations of merchandise into the United States at less than its fair value.

The House recedes from its disagreement to this part of the amendment with the following amendments:

1. An amendment to section 201 of the Senate bill directing the appraiser to withhold his appraisement report to the collector, and to notify the Secretary as to the importation of merchandise of a class or kind as to which the Secretary has not made public a finding and as to which the appraiser has reason to believe or suspect from the invoice or other papers, or from information presented to him, that the purchase price is less, or that the exporters' sale price is less or likely to be less than the foreign market value, or, in the absence of such value, than the cost of production. This addition to the Senate provision enables the appraiser to whose attention the possibility of dumping may be brought to hold up an importation pending an investigation and finding by the Secretary in cases where the Secretary had not previously made a finding public.

2. An amendment to section 205 of the Senate bill, the purpose of which is to prevent the establishment of a fictitious market value by other than bona fide sales of merchandise intended for exportation to the United States. This amendment is substantially a rewording of the proviso in section 207 of the House bill.

3. Minor clerical changes in the interest of clearness.

TITLE III.

ASSESSMENT OF AD VALOREM DUTIES.

This title is a substitute for section 214 of the House bill. Section 214 of the House bill merely amended section 25 of the act entitled "An act to reduce taxation, to provide revenue for the Government, and for other purposes," approved August 27, 1894, by adding the following proviso:

In the estimation and liquidation of duties upon any imported merchandise the collector of customs, or persons acting as such, shall not in any case estimate the depreciation in currency at more than 66⅔ per cent.

Title III of the Senate bill substitutes for this proviso a provision requiring the assessment of ad valorem duties upon the basis of the foreign home market value or the export value, whichever is higher. At the present time ad valorem duties are assessed upon the basis of the foreign home market value. The effect of the Senate amendment will be to increase the duties collected in the case of all importation of merchandise in which the export value is higher than the foreign home market value.

The House recedes from its disagreement to this part of the amendment.

TITLE IV.

GENERAL PROVISIONS.

Section 403 of Senate bill—Conversion of currency.

Under the existing law and Executive orders in the case of imported merchandise the United States consuls in the various foreign countries have to certify the value of the currency in which the invoice is made out as of the date of certification. In many cases the consuls fail to make the certification and in such cases it becomes necessary for the importer to pay duty on the gold basis and to ascertain the correct value of the currency, which can only be readjusted in a final reliquidation and is dependent upon the obtaining of a consular certificate.

This frequently results in the assessment of excessive import duties and necessitates a great amount of unnecessary labor on the part of the importer and the Treasury officials in making the proper adjustments in order to refund the excess duties so collected. The present system requires the ascertainment of the value of foreign currency thousands of miles away from the port of entry. The Senate bill will permit the ascertainment of the value of foreign currency in the United States, at which point it is readily ascertainable with a greater degree of accuracy. It provides that in cases in which the foreign currency varies by 5 per cent or more from the value measured by the buying rate in the New York market at noon on the day of exportation, the conversion shall be made at a value measured by such buying rate. The Federal reserve bank of New York is authorized to determine the buying rate and the amendment provides that the buying rate shall be the buying rate for cable transfers payable in the foreign currency to be converted. The section requires the Federal reserve bank of New York to certify the exchange rates to the Secretary of the Treasury daily and requires the Secretary to make such rates public for the use of the collectors and appraising officers in assessing duties.

The House recedes from its disagreement to this part of the amendment.

TITLE V.

DYES AND CHEMICALS.

At the present time the importation of coal-tar dyes and certain chemicals is regulated by means of licenses issued by the War Trade Board section of the State Department, under the provisions of the trading with the enemy act, approved October 6, 1917, and the proclamation of the President of February 14, 1918. The Senate bill provides for the continuing of the present licensing system for a period of six months after the enactment of the amendment. The amendment is deemed to be necessary because the powers of the War Trade Board section of the State Department to grant licenses for the importation of dyes and chemicals are limited to the duration of the present war. The amendment is limited to the dyes and chemicals the importation of which is now limited by licensing, and provides for the granting of licenses upon substantially the same terms as under the requirements for the importation of dyes and chemicals from enemy countries.

The amendment provides for the transfer of the functions of the War Trade Board section, including its clerks and employees, books, documents, and records, to the Treasury Department. The amendment also provides that any unexpended funds and appropriations made for the use and maintenance of the War Trade Board section shall be available, to be expended by the Secretary of the Treasury in the exercise of the power and authority conferred upon him by the amendment.

The House recedes from its disagreement to the part of the amendment relating to dye control, with an amendment making the dye-control provision effective for a period of three months instead of six months, as proposed in the Senate bill.

J. W. FORDNEY,
W. R. GREEN,
NICHOLAS LONGWORTH,
Managers on the part of the House.

Mr. FORDNEY. Mr. Speaker, I wish to ask the gentleman from Texas if he wants any time for debate?

Mr. GARNER. I have had no requests for time on this side.

Mr. FORDNEY. Then I will make a brief statement and we will get a vote. Mr. Speaker, there were no changes in the bill affecting any items on which a duty is placed. There is one change in the bill, where the Senate struck out the House provision as to depreciated currency, and the House conferees agreed to the Senate amendment. One of the good reasons for agreeing to that is that we hope in a very short time to present to the House a tariff bill which will place ad valorem duties on American valuation and which will overcome this exchange matter.

The second provision carried in the bill, known as the antidumping provision, was amended in several particulars, and we think the language stricken from the House provision improves the bill. However, it was the best we could get in conference, and we think it is effective and, if anything, better than it was when it left the House.

Those are about the only changes, except one provision for extension of the powers of the War Trade Board for three months in their control over the importation of dyes by licenses, and so on. We do not all agree that that was necessary, yet as a matter of precaution we have left it in the bill. The War Trade Board powers do not expire until peace is declared, and

we hope in three months' time to have a new tariff bill that will carry other provisions amply protecting that industry. For that reason we agreed to the provision in question.

Now, unless some gentleman wishes to ask some question or speak upon the matter, I am ready for a vote.

Mr. GARNER. Will the gentleman yield me five minutes?

Mr. FORDNEY. I will yield to the gentleman five minutes.

Mr. GARNER. Mr. Speaker, I presume the House understands the situation with reference to this bill. It has been discussed a number of times when the original bill as well as the Senate amendment was pending here. It will be recalled that the gentleman from Michigan [Mr. FORDNEY] called the attention of the House to the fact that the Senate amendment was bad and could not be considered under the rules of the House, much less to be agreed to by the House. If you will examine the report as well as the statement you will see that the Senate amendment has been agreed to without any substantial change. Subsection (c) authorizes the Secretary to make rules and regulations, and the conferees undertook to write the rules and regulations themselves. That is the only difference there is between the Senate amendment and the conference report, with the exception of where the Senate continues a monopoly of the dyestuff industry in one firm in this country for six months, and the conferees decided to compromise by giving it to them for three months. I think they did that in order to get the signature of the gentleman from Iowa to the conference report because his signature was necessary to get a report. I mention this in order that the House may begin to understand, and I think you will continually be impressed by this one fact, that the House of Representatives no longer legislates, no longer maintains the important functions of a coordinate branch of the legislative body in our Government, but has yielded and probably will continue to yield everything to the Senate of the United States and to the Executive.

Why, Mr. Speaker, I am surprised that the gentleman from Ohio [Mr. LONGWORTH] should have had the temerity to report a resolution, as he did last week, in which he undertakes to give the House of Representatives, or at least a committee of the House of Representatives—probably I had better say the Republican membership of the Ways and Means Committee of the House of Representatives—the power of legislating, without considering the Senate or the Executive. I can see no merit in that resolution except that it would be the first time in history, so far as I recall, that the House of Representatives was given an advantage over the United States Senate and the executive branch of the Government in the making laws. I congratulate the gentleman from Ohio if he succeeds in this effort, but I doubt very much whether he will be able to convince his side of the House of the merits of his resolution, and I feel quite sure that he will never convince the Senate that they should surrender their legislative rights, much less the President of the United States. I repeat, that so far as this report is concerned it purports to give the farmers an emergency tariff for the benefit of the farmer, but as a matter of fact it gives a compensatory duty—and you gentlemen are perfectly familiar with that—to the manufacturers of the United States that is more detrimental to the farmer than the pretended relief.

When we first introduced the emergency tariff bill last December it was for the purpose of giving the farmer some relief, and possibly it would have given him some relief at that time if it could have been put on the statute books, but before the interests that predominate in the Republican Party, both in the House and in the Senate, would permit that modicum of relief for the farmers and the stock raisers of the country to become law, they put upon it in the Senate that provision which compels the farmer in purchasing his needs to purchase them at an increase of from 50 to 150 per cent. You can not sell the product of the farmer abroad unless you can buy goods abroad, and the object of this conference committee report is not to help the farmers, is not to give them protection against foreign competition, but it is to so arrange the customs house as to prevent the farmer from buying in open competition with the world. Under the provision of this bill any appraiser out of about 240 can stop any importation into the United States. What does he do after he stops it? He immediately has to find out what it costs to produce it in Mexico, in Germany, in England, or France or Italy, before the importation can come in. The gentleman from Michigan [Mr. FORDNEY] in his amendment proposed to have you ascertain three things before you can import anything into the United States. One of them is what the home market value is, the other whether they are selling to any other country as cheaply as they sell to us, and last and most important, that you should find the cost of production in the foreign market. I submit to any intelligent man in this House that if he was an appraiser at the port of New York and an importation should come there and he should be required to find the cost of production in Italy before he could admit the importation into this country, he would be in a very bad fix. You can not ascertain the cost in this country, much less in Italy at the present time. This provision in this bill has for its purpose the exclusion of importations into the United States. I do not see how it is possible for anyone to vote for it.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. FORDNEY. Mr. Speaker, the gentleman from Texas [Mr. GARNER] comes just as near on this matter as he usually does in matters pertaining to our tariff laws. He shoots with a scattering shot and never hits the bull's-eye, never was known to on a tariff measure. An examination of the provision in the bill in relation to antidumping will disclose that we did not accept the Senate provision. We have materially changed their provision and have made it a good measure. It is all right now. The gentleman says that the object is no good and will not accomplish anything. I remind him of the fact that every item in the bill relating to duties is the same as it was in the bill when it passed here last winter, before the 4th of March, when the gentleman from Texas voted for it. Why does he now say that it accomplishes nothing, when he voted for it then? It would have been a law before the 4th of March if we had had the same man in the White House then as we have now.

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

Mr. FORDNEY. Yes.

Mr. LANGLEY. The gentleman has just stated that the gentleman from Texas [Mr. GARNER] never hit the bull's-eye on a tariff question.

Mr. FORDNEY. Never.

Mr. LANGLEY. Is not the Texas goat an exception to the rule.

Mr. FORDNEY. Oh, he overshot the bull's-eye on the hair of the angora goat matter.

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

Mr. FORDNEY. Yes.

Mr. BLANTON. Is not this the only opportunity that we who represent the farmers and the producers of the country have to get anything whatever for the farmers and the producers?

Mr. FORDNEY. Since 1912 I would say that that is correct. [Laughter.]

Mr. BLANTON. And I am going to vote for the bill.

Mr. FORDNEY. I am glad to hear it. [Cries of "Vote!"] Very well, Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken.

Mr. GARNER. Mr. Speaker, I think we ought to have the yeas and nays on that, and for the purpose of obtaining them I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on agreeing to the conference report.

The Clerk called the roll; and there were—yeas 246, nays 98, not voting 86, as follows:

YEAS—246.

Ackerman	Chalmers	Evans	Hardy, Colo.
Anderson	Chandler, N. Y.	Fairfield	Hawley
Andrews	Chandler, Okla.	Faust	Hays
Appleby	Chindblom	Favrot	Herrick
Arentz	Christopherson	Fenn	Hersey
Bacharach	Clague	Fess	Hickey
Barbour	Clarke, N. Y.	Fish	Hicks
Beck	Classon	Fitzgerald	Hill
Beedy	Codd	Focht	Himes
Begg	Colton	Fordney	Hoch
Benham	Connell	Foster	Hogan
Bird	Connolly, Pa.	Freeman	Houghton
Bixler	Cooper, Ohio	Frothingham	Hudspeth
Blakeney	Cooper, Wis.	Fuller	Hull
Bland, Ind.	Copley	Funk	Husted
Blanton	Coughlin	Gahn	Ireland
Boies	Crowther	Gensman	James, Mich.
Brennan	Curry	Gernerd	Jefferis
Britten	Dale	Glynn	Johnson, S. Dak.
Brooks, Ill.	Davis, Minn.	Good	Johnson, Wash.
Brown, Tenn.	Deal	Goodykoontz	Jones, Pa.
Burdick	Dempsey	Gorman	Jones, Tex.
Burroughs	Dickinson	Gould	Kahn
Burtness	Dowell	Graham, Ill.	Kercham
Burton	Dupré	Green, Iowa	Kiess
Cable	Dyer	Greene, Mass.	King
Campbell, Kans.	Echols	Greene, Vt.	Kinkaid
Campbell, Pa.	Elliott	Griest	Kirkpatrick
Cannon	Elston	Hadley	Kissel

Kleczka	Martin	Ramseyer	Taylor, Tenn.
Kline, N. Y.	Merritt	Reber	Temple
Kline, Pa.	Michaelson	Reece	Thompson
Knutson	Michener	Rhodes	Tilson
Kopp	Miller	Ricketts	Timberlake
Kraus	Mills	Riddick	Tincher
Lampert	Millspaugh	Roach	Towner
Langley	Mondell	Robsion	Treadway
Lankford	Montoya	Rogers	Vaile
Larson, Minn.	Moore, Ill.	Rose	Vare
Lawrence	Moore, Ohio	Rosenbloom	Vestal
Layton	Morgan	Ryan	Voigt
Lazaro	Morin	Sanders, Ind.	Volstead
Lea, Calif.	Mott	Schall	Walsh
Leatherwood	Mudd	Scott, Mich.	Ward, N. Y.
Lehlbach	Murphy	Scott, Tenn.	Watson
Lineberger	Nelson, A. P.	Shaw	Webster
Little	Nelson, J. M.	Shreve	Wheeler
Longworth	Newton, Minn.	Sinclair	White, Kans.
Lufkin	Newton, Mo.	Sinnott	White, Me.
Lubring	Norton	Smith	Williams
McArthur	Ogden	Smithwick	Williamson
McCormick	Olpp	Snell	Winslow
McFadden	Osborne	Speaks	Wood, Ind.
McKenzie	Paige	Sproul	Woodruff
McLaughlin, Mich.	Parker, N. J.	Steenerson	Woodyard
McLaughlin, Nebr.	Parker, N. Y.	Stephens	Wurzbach
MacGregor	Parrish	Strong, Kans.	Wyant
Madden	Patterson, Mo.	Strong, Pa.	Yates
Magee	Patterson, N. J.	Sweet	Young
Maloney	Peters	Swing	Zihlman
Mann	Pringey	Taylor, Colo.	
Mapes	Purnell	Taylor, N. J.	

NAYS—98.

Almon	Doughton	Larsen, Ga.	Riordan
Ansorge	Drane	Lee, Ga.	Sabath
Aswell	Fisher	Linthicum	Sanders, Tex.
Bankhead	Flood	Logan	Sandlin
Barkley	Fulmer	London	Sears
Bell	Gallivan	Lowrey	Stedman
Black	Garner	Luce	Stevenson
Bland, Va.	Garrett, Tenn.	Lyon	Stoll
Bowling	Garrett, Tex.	McClintic	Sullivan
Box	Gilbert	McDuffie	Sumners, Tex.
Brand	Griffin	Mead	Swank
Briggs	Hammer	Montague	Tague
Bulwinkle	Hardy, Tex.	Moore, Va.	Tillman
Byrnes, S. C.	Harrison	Moores, Ind.	Tyson
Byrns, Tenn.	Hawes	O'Connor	Underhill
Cantrill	Hayden	Oldfield	Vinson
Carew	Huddleston	Oliver	Ward, N. C.
Carter	Humphreys	Overstreet	Weaver
Cockran	Jacoway	Padgett	Wilson
Collier	Johnson, Ky.	Park, Ga.	Wingo
Collins	Johnson, Miss.	Parks, Ark.	Wise
Connally, Tex.	Keller	Pou	Woods, Va.
Crisp	Kincheloe	Quin	Wright
Cullen	Kunz	Rankin	
Dominick	Lanham	Rayburn	

NOT VOTING—86.

Anthony	Edmonds	Lee, N. Y.	Rossdale
Atkeson	Ellis	McLaughlin, Pa.	Rouse
Bond	Fairchild	McPherson	Rucker
Bowers	Fields	McSwain	Sanders, N. Y.
Brinson	Frear	Mansfield	Shelton
Brooks, Pa.	Free	Mason	Siegel
Browne, Wis.	French	Nolan	Sisson
Buchanan	Goldsborough	O'Brien	Slemp
Burke	Graham, Pa.	Perkins	Snyder
Butler	Haugen	Perlman	Stafford
Clark, Fla.	Hukriede	Petersen	Steagall
Clouse	Hutchinson	Porter	Stiness
Cole	James, Va.	Radcliffe	Summers, Wash.
Cramton	Kearns	Rainey, Ala.	Ten Eyck
Dallinger	Kelley, Mich.	Rainey, Ill.	Thomas
Darrow	Kelly, Pa.	Raker	Tinkham
Davis, Tenn.	Kendall	Ransley	Upshaw
Denison	Kennedy	Reavis	Volk
Drewry	Kindred	Reed, N. Y.	Walters
Driver	Kitchin	Reed, W. Va.	Wason
Dunbar	Knight	Robertson	
Dunn	Kreider	Rodenberg	

So the conference report was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. REAVIS (for) with Mr. KITCHIN (against).

Mr. RODENBERG (for) with Mr. RUCKER (against).

Mr. ANTHONY (for) with Mr. SISSON (against).

Mr. GRAHAM of Pennsylvania (for) with Mr. UPSHAW (against).

Mr. HUKRIEDE (for) with Mr. FIELDS (against).

Mr. PERKINS (for) with Mr. STEAGALL (against).

Mr. SHELTON (for) with Mr. RAKER (against).

Mr. MCPHERSON (for) with Mr. DAVIS of Tennessee (against).

Mr. DALLINGER (for) with Mr. RAINEY of Illinois (against).

Mr. RADCLIFFE (for) with Mr. BRINSON (against).

Mr. ATKESON (for) with Mr. THOMAS (against).

Mr. DUNBAR (for) with Mr. KINDRED (against).

Mr. HUTCHINSON (for) with Mr. O'BRIEN (against).

Mr. DARROW (for) with Mr. DREWRY (against).

Mr. KENDALL (for) with Mr. BUCHANAN (against).

Mr. FREE (for) with Mr. GOLDSBOROUGH (against).

Mr. MCLAUGHLIN of Pennsylvania (for) with Mr. RAINEY of Alabama (against).

Mr. KREIDER (for) with Mr. DRIVER (against).

Mr. DENISON (for) with Mr. JAMES of Virginia (against).

Mr. EDMONDS (for) with Mr. MCSWAIN (against).

Mr. KEARNS (for) with Mr. MANSFIELD (against).

Until further notice:

Miss ROBERTSON with Mr. CLARK of Florida.

Mr. BUTLER with Mr. TEN EYCK.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, the Doorkeeper will open the doors.

On motion of Mr. FORDNEY, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

REREFERENCE OF A BILL.

Mr. RHODES. Mr. Speaker, I ask unanimous consent that the bill H. R. 2919, which was referred to the Committee on the Territories, be rereferred to the Committee on Mines and Mining.

The SPEAKER. The gentleman from Missouri asks unanimous consent that the bill H. R. 2919 be rereferred from the Committee on the Territories to the Committee on Mines and Mining. Have the chairmen of both of these committees agreed to the reference?

Mr. WALSH. Mr. Speaker, reserving the right to object, what is the bill about?

Mr. RHODES. The bill proposes to fix certain conditions under which assessment work may be done on mining claims and is the same class of legislation which the Committee on Mines and Mining has reported and has passed through this House time and again. The chairman of the Committee on Territories and the ranking member, Mr. WEAVER, of North Carolina, agreed that the bill was erroneously referred and should have been referred to the Committee on Mines and Mining in the first instance.

The SPEAKER. Is there objection to the request? [After a pause.] The Chair hears none.

SECOND DEFICIENCY BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6300.

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 further consideration of the bill H. R. 6300, the second deficiency bill, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6300, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 6300) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TREASURY DEPARTMENT.

OFFICE OF THE SECRETARY.

First Assistant Secretary of the Treasury, to be nominated by the President and appointed by him, by and with the advice and consent of the Senate, who shall receive compensation at the rate of $10,000 per annum and shall perform such duties in the office of the Secretary of the Treasury as may be prescribed by the Secretary or by law, and under the provisions of section 177, Revised Statutes, in case of the death, resignation, absence, or sickness of the Secretary of the Treasury, shall perform the duties of the Secretary until a successor is appointed or such absence or sickness shall cease, fiscal year 1922, $10,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph.

Mr. WINGO. I will make the point of order or I will withhold it if the gentleman from Iowa desires to explain the item.

The CHAIRMAN. The provision is clearly subject to a point of order, and the Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

Commissioner of the public debt, $6,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph.

Mr. GOOD. Will the gentleman reserve the point of order?

Mr. BLANTON. I will reserve it if the gentleman desires to speak, but I had not finished making it. The point of order is that it is not a deficiency but new legislation on a deficiency appropriation bill and unauthorized by law.

Mr. GOOD. There is no question but what it is not authorized by law; I will concede that. The provision for the commissioner of the public debt, $6,000, and commissioner of accounts and deposits at $6,000; division of deposits, chief of the division, $3,500—those positions—I hope I may have the attention

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. DREWRY, for three days, on account of sickness in his family.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 535) to prevent the unauthorized landing of submarine cables in the United States.

ENROLLED BILL SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 2435. An act imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 535. An act relating to the landing and operation of submarine cables in the United States.

LEAVE TO WITHDRAW PAPERS.

Mr. OSBORNE, by unanimous consent, obtained leave to withdraw from the files of the House without leaving copies the papers in the cases of H. R. 843, 835, 839, 840, 846, and 839, Sixty-sixth Congress, no adverse reports having been made thereon.

THE PACKERS BILL.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that at the conclusion of the consideration of the bill now under consideration—not, however, to interfere with Calendar Wednesday—the House take up H. R. 6320 for consideration under the general rules of the House, the same being what is known as the packers bill.

The SPEAKER. The gentleman makes the request for unanimous consent that the House has heard. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker reserving the right to object, I understood the gentleman to say "not to interfere with Calendar Wednesday."

Mr. MONDELL. I may make a request later to dispense with Calendar Wednesday, but for the present I am not prepared to do that. My thought was that we would probably finish the deficiency bill some time to-morrow afternoon and could then take up the packers bill for consideration. Whether or not we should want to dispense with Calendar Wednesday would depend on the status of measures from the Committee on Interstate and Foreign Commerce.

Mr. GARRETT of Tennessee. Unfortunately one of the minority members of the Committee on Agriculture has been called out of the city on account of a death in his family.

Mr. MONDELL. I understand that that member is favorable to the bill.

Mr. GARRETT of Tennessee. I do not personally know as to his attitude. I do not wish to object. It may be that subsequent developments might cause me to make some request to the gentleman touching the matter.

The SPEAKER. Is there objection?

Mr. WALSH. I should like to ask the gentleman if this is the same measure that was pending in the last session?

Mr. MONDELL. No, Mr. Speaker, it is not the same measure. Some features of it are similar to that measure, but in the main it is quite a different measure.

Mr. WALSH. How much debate will there be?

Mr. MONDELL. That will be a matter to be determined when the bill is taken up. I imagine some considerable debate will be desired. There is no disposition to shut off the debate.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. CHINDBLOM. Does the gentleman happen to know whether there is much controversy about the bill?

Mr. MONDELL. I understand that the bill is unanimously reported from the committee, and I do not know that there is very much controversy about it. I doubt if there is.

Mr. GARRETT of Tennessee. I will suggest that it is pretty hard to tell about that. We had a bill in recently that was reported unanimously from the same committee, where there was a great deal of opposition.

Mr. MONDELL. Oh, I have no doubt there will be a difference of opinion in regard to the provisions of the bill; it would be very extraordinary if there were not; but as far as the committee was concerned it was reported unanimously.

The SPEAKER. Does the gentleman couple with his request the provision that it shall be a continuing order?

Mr. MONDELL. Yes.

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

There was no objection.

ADJOURNMENT.

Mr. GOOD. 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 adjourned until to-morrow, Tuesday, May 24, 1921, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. VAILE, from the Committee on the Public Lands, to which was referred the bill (H. R. 2205) to add certain lands on the North Fork of the Shoshone River to the Shoshone National Forest, reported the same without amendment, accompanied by a report (No. 88), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. SUTHERLAND, from the Committee on the Public Lands, to which was referred the bill (H. R. 3116) validating homestead entry of Mike Campbell for certain public land in Alaska, reported the same without amendment, accompanied by a report (No. 89), which sail bill and report were referred to the Private Calendar.

Mr. FULLER, from the Committee on Invalid Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 6507) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, accompanied by a report (No. 90), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5738) granting an increase of pension to Walter W. Donahue; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 6338) granting a pension to Melissa J. King; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 6500) to provide for a public building at Reedley, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. KAHN: A bill (H. R. 6501) amending an act entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," approved February 2, 1919; to the Committee on Military Affairs.

By Mr. KINKAID: A bill (H. R. 6502) securing rights of way and easements over public land in connection with Federal irrigation projects; to the Committee on Irrigation of Arid Lands.

By Mr. MILLSPAUGH: A bill (H. R. 6503) to amend the Federal reserve act and to provide rural credits by the issuing of Federal reserve notes against deposits of Liberty and Victory bonds; to the Committee on Banking and Currency.

By Mr. PRINGEY: A bill (H. R. 6504) authorizing the United States Court of Claims to hear and determine any claims of the Delaware Tribe of Indians of the State of Oklahoma, or the State of Kansas, for any moneys, lands, and interest found due said Indians, and their descendants under any treaty between the United States of America and the Delaware Tribe of Indians; to the Committee on Indian Affairs.

Also (by request), a bill (H. R. 6505) authorizing the United States Court of Claims to hear and determine any claims of the Shoshone Indians of the State of Idaho and the State of Utah

Camp, No. 49, Lebanon, Ind.; Colonel Charles A. Wikoff Camp, No. 43, Easton, Pa.; George Leland Edgerton Camp, No. 32, Beaver Dam, Wis.; General George A. Garretson Camp, No. 4, Cleveland, Ohio; Naval Camp, No. 1, Philadelphia, Pa.; chief of staff of Michigan, United Spanish War Veterans; E. H. Liscum Camp, No. 7, Oakland, Calif.; Clarence Miller Camp, No. 5, Winona, Minn.; Tyrone Camp, No. 85, Tyrone, Pa.; General Guy V. Henry Camp, No. 38, New York, N. Y.; National Auxiliary United Spanish War Veterans, New York City; O. M. Tichenor Camp, No. 51, Princeton, Ind.; General William S. McCaskey Camp, No. 53, Lancaster, Pa.; General Moses B. Lakeman Camp, No. 44, Malden, Mass.; Department of Ohio, United Spanish War Veterans, Cleveland, Ohio; seven citizens of Hoosick Falls, N. Y.; Clarence Miller Auxiliary, United Spanish War Veterans; White Squadron Post, No. 80, Veterans of Foreign Wars, San Francisco, Calif.; General A. W. Greeley Camp, No. 52, United Spanish War Veterans; Sergt. Fred Thomas Camp, No. 48, Haverhill, Mass.; Egbert Camp, No. 10, Toledo, Ohio; Fred Arnold, of Eau Claire, Wis., chairman department legislative committee United Spanish War Veterans; Earl Fiske Camp, No. 48, Greencastle, Ind.; seven Spanish War veterans, Miles City, Mont.; and Richard J. Allen Camp, No. 2, United Spanish War Veterans, Washington, D. C., favoring the passage of House bill 4; to the Committee on Pensions.

891. By Mr. LINTHICUM: Petition of the Bar, Baltimore, Md., favoring gross sales tax; to the Committee on Ways and Means.

892. Also, petition of Export and Import Board of Trade, Baltimore, Md., favoring passage of House bill 3324, to authorize aids to navigation and for other works of the Lighthouse Service; to the Committee on Interstate and Foreign Commerce.

893. By Mr. MACGREGOR: Resolution adopted by the Niagara Frontier Lodge, No. 1473, of the United Brotherhood of Maintenance of Way Employees and Railway Shop Laborers, protesting against the enactment of the proposed sales tax; to the Committee on Ways and Means.

894. By Mr. MEAD: Letter from G. Elias & Bros., of Buffalo, N. Y., regarding tariff; to the Committee on Ways and Means.

895. By Mr. NEWTON of Missouri: Resolution adopted by the League of Women Voters of University City, Mo., in favor of better understanding between nations and international disarmament; to the Committee on Foreign Affairs.

896. By Mr. OSBORNE: Memorial of the board of trustees of the city of Culver City, Calif., urging the further amendment of the transportation act, 1920, so as to eliminate therefrom objectionable features; to the Committee on Interstate and Foreign Commerce.

897. By Mr. PARRISH: Resolution of the Woman's City Committee Social Welfare Work of San Antonio, Tex., appealing to Congress for a reconsideration of the question to retain the United States Interdepartmental Social Hygiene Board; to the Committee on Military Affairs.

898. By Mr. RAKER: Resolution adopted by the Associated Chambers of Commerce of Orange County, Calif., urging a modification of the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

899. Also, letter from the San Francisco (Calif.) Chamber of Commerce, indorsing the China trade acts; to the Committee on Interstate and Foreign Commerce. Telegram from Kullman Salz & Co., of San Francisco, Calif., protesting against a tariff on hides; to the Committee on Ways and Means. Resolution by Raisner Post, No. 45, American Legion, of Corning, Calif., indorsing the program of legislation asked by the American Legion of the Sixty-seventh Congress; to the Committee on Interstate and Foreign Commerce. Letter from the Diamond Match Co., of New York City, protesting against a tariff on lumber coming from Canada; to the Committee on Ways and Means.

900. By Mr. SABATH: Resolution adopted by unanimous vote of the American Hardware Manufacturers' Association in convention assembled at Atlantic City, N. J., on May 13, 1921, urging general revision of the so-called La Follette seaman's bill; to the Committee on the Merchant Marine and Fisheries.

901. Also, resolution adopted by the public affairs committee of the Traffic Club of Chicago, opposing the passage of House bill 5037; to the Committee on Interstate and Foreign Commerce.

902. Also, resolution of the Senate of the State of Illinois, respectfully urging that the units of the metric system be adopted by the Congress of the United States as the legal standard of weights and measures after a transition period of 10 years, as proposed in bills now before Congress; to the Committee on Coinage, Weights, and Measures.

903. By Mr. SNYDER: Petition of Rocco Perretta, of Utica, N. Y., against increase of duty on olive oil; to the Committee on Ways and Means.

904. Also, petition of New York Board of Trade and Transportation, against the proposed discontinuance of the passport bureau in that city; to the Committee on Foreign Affairs.

905. By Mr. TREADWAY: Resolutions adopted by the diocese of western Massachusetts, in convention at Trinity Church, Lenox, Mass., on May 18, urging the calling of an international conference looking to disarmament; to the Committee on Foreign Affairs.

SENATE.

TUESDAY, *May 24, 1921.*

(Legislative day of Friday, May 20, 1921.)

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

The Vice President resumed the chair.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 535. An act relating to the landing and operation of submarine cables in the United States; and

H. R. 2435. An act imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money, and for other purposes.

AIRPLANE SERVICE, NEW YORK AND SAN FRANCISCO (S. DOC. NO. 13).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury transmitting a communication from the Postmaster General, submitting a supplemental estimate of appropriation in the sum of $125,000 required by the Postal Service, Office of the Second Assistant Postmaster General, for airplane service between New York and San Francisco, fiscal year 1921, payable from postal revenues, which was referred to the Committee on Appropriations and ordered to be printed.

IMPROVEMENT OF ROAD ON MISSIONARY RIDGE (S. DOC. NO. 14).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury transmitting a communication from the Secretary of War, submitting a supplemental estimate of appropriation in the sum of $500 required by the War Department to cover cost of examination and preparation of report upon the manner of improvement of the Government road on Missionary Ridge, Chickamauga and Chattanooga National Military Park, fiscal year 1921, which was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of Hawaii favoring the enactment of legislation providing for the erection and maintenance of a soldiers' home in the Territory of Hawaii, which was referred to the Committee on Territories and Insular Possessions.

Mr. HARRELD presented petitions of sundry citizens of Atoka, Thomas, Fay, and Waynoka, all in the State of Oklahoma, praying for the enactment of legislation prohibiting gambling in grain and other agricultural products, which were referred to the Committee on Agriculture and Forestry.

Mr. ODDIE presented a resolution of the Auxiliary Unit, American Legion, of Yerington, Nev., favoring the enactment of legislation providing adequate relief for disabled ex-service men, which was referred to the Committee on Finance.

Mr. HITCHCOCK presented a petition of sundry citizens of Newcastle, Nebr., praying for the enactment of legislation for the recognition of the Irish republic, which was referred to the Committee on Foreign Relations.

Mr. JONES of Washington presented petitions of sundry citizens of Clayton, Wash., praying for the enactment of legislation to prohibit gambling in grain and other agricultural products, which were referred to the Committee on Agriculture and Forestry.

Mr. BURSUM presented a resolution of the Roswell Advertising Club, of Roswell, N. Mex., which was referred to the Com-

M. Waide, jr., H. R. 9814, pension, no adverse report having been made thereon.

Mr. FRENCH was given leave to withdraw from the files of the House, without leaving copies, papers in the case of Sam Tilden. H. R. 9648, Sixty-sixth Congress, no adverse report having been made thereon.

CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that the House dispense with Calendar Wednesday business to-morrow.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to dispense with Calendar Wednesday business to-morrow. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, my recollection is that the Interstate and Foreign Commerce Committee has a bill pending.

Mr. MONDELL. They have a bill pending, but it will not require the entire day. They have no further legislation ready for consideration, and the committee would prefer to have the next Calendar Wednesday rather than to-morrow.

Mr. GARRETT of Tennessee. Of course I would rather like to interfere with the majority in the conduct of business.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills and joint resolution:

H. R. 2435. An act imposing temporary duties upon certain agricultural products to meet present emergencies and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money, and for other purposes;

H. R. 2173. An act authorizing the construction, maintenance, and operation of a private drawbridge over and across Lock No. 4 of the canal and locks, Willamette Falls, Clackamas County, Oreg.; and

H. J. Res. 123. Joint resolution to provide funds for the repair of the elevator in the Washington Monument.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Wednesday, May 25, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

146. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting report in connection with the improvement of Missionary Ridge Crest Road, was taken from the Speaker's table and referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HAWES, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 1154) for the construction of a bridge across the Des Moines River at or near the city of Dumas, Mo., reported the same without amendment, accompanied by a report (No. 91), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. COLE, from the Committee on Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 6569) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, accompanied by a report (No. 92), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MACGREGOR: A bill (H. R. 6563) to prevent the transportation of coal upon which a special tax has been imposed; to the Committee on the Judiciary.

By Mr. RANSLEY: A bill (H. R. 6564) for the purchase of a site and to begin construction thereon of a customhouse in the city of Philadelphia, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 6565) for the establishment of Muskegon, Mich., as a port of entry and delivery for immediate transportation without appraisement of dutiable merchandise; to the Committee on Ways and Means.

By Mr. ROSENBLOOM: A bill (H. R. 6566) allowing deductions in computing the tax on personal incomes of less than $5,000 for expenses for medicine, for bills paid physicians, surgeons, and hospitals, and for funeral expenses; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: A bill (H. R. 6567) to amend section 407 of the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. LARSON of Minnesota: A bill (H. R. 6568) for the relief of the Red Lake Band of Chippewa Indians of the State of Minnesota, and for other purposes; to the Committee on Indian Affairs.

By Mr. COLE: A bill (H. R. 6569) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors; committed to the Committee of the Whole House.

By Mr. McDUFFIE: A bill (H. R. 6570) authorizing the Secretary of the Treasury to remove the quarantine station now situated at Fort Morgan, Ala., to Sand Island, a site now owned by the United States Government, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station; to the Committee on Public Buildings and Grounds.

By Mr. STEVENSON: A bill (H. R. 6571) to provide for proper cooperation between the Comptroller of the Currency and the Federal Reserve Board; to the Committee on Banking and Currency.

By Mr. HUDDLESTON: A bill (H. R. 6572) to authorize recovery for mental anguish as an element of damages in actions against telegraph companies; to the Committee on the Judiciary.

By Mr. STEENERSON: A bill (H. R. 6573) to further reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. LARSON of Minnesota: Joint resolution (H. J. Res. 130) to pay the actual and necessary expenses of James I. Coffey, delegate representative of the Chippewa Indians of Minnesota, in visiting Washington in the interests of the said Chippewa Indians; to the Committee on Indian Affairs.

By Mr. GILLETT: Joint resolution (H. J. Res. 131) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FLOOD: Resolution (H. Res. 98) requesting the Secretary of State to inform the House of Representatives whether certain statements attributed to the ambassador to Great Britain were delivered under official sanction of the State Department, etc.; to the Committee on Foreign Affairs.

By Mr. IRELAND: Resolution (H. Res. 99) providing for the alteration and improvement and reequipment of the restaurant of the House of Representatives, and the management of the restaurant; to the Committee on Accounts.

By Mr. JOHNSON of South Dakota: Resolution (H. Res. 100) providing for investigation of the collection and expenditure of money for the benefit of disabled ex-service men; to the Committee on Rules.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii requesting amendment of the Hawaiian organic act; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENHAM: A bill (H. R. 6574) granting a pension to James K. Waltermire; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 6575) granting a pension to Martha A. Bailey; to the Committee on Invalid Pensions.

The SPEAKER pro tempore. The gentleman from Wyoming asks unanimous consent to address the House for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, we are honored by the presence in the gallery of a distinguished party of gentlemen, members of the Parliament of Japan. [Loud applause, the Members of the House rising.]

Mr. Speaker, it is always an honor to have as visitors in the House members of important legislative bodies. It is a peculiar and an especial honor to have with us to-day members of the legislative bodies of the oldest Empire of the world, an Empire now operating under legislative constitutional government, an Empire with which and with whose people we have sustained relations of peculiar cordiality, amity, and good will. [Applause.]

Mr. Speaker, as a mark of our respect for our distinguished visitors and our high regard for the great nation they represent, I move you that the House stand in recess, subject to the call of the Chair, and that the distinguished visitors be invited to the floor, that the Members may have the opportunity to meet and greet them. [Applause.]

The SPEAKER pro tempore. The gentleman from Wyoming [Mr. MONDELL] moves that the House stand in recess, subject to the call of the Chair, so that the Members of the House may have the pleasure of meeting the distinguished representatives from the Parliament of Japan.

The question is on agreeing to the motion.

The motion was unanimously agreed to.

Accordingly (at 12 o'clock and 40 minutes p. m.) the House stood in recess.

DURING THE RECESS.

During the recess the members of the delegation from the Parliament of Japan were escorted to the floor by the Sergeant at Arms and a committee of the House of Representatives, were received with applause, and personally greeted by the Members of the House.

AFTER RECESS.

The recess having expired (at 1 o'clock p. m.) the House was called to order by the Speaker pro tempore (Mr. STAFFORD).

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved bills and joint resolution of the following titles:

On May 27, 1921:

H. R. 4586. An act to amend the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901," and the acts amendatory thereof and supplementary thereto; and

H. R. 2435. An act imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes.

On May 31, 1921:

H. R. 2173. An act authorizing the construction, maintenance, and operation of a private drawbridge over and across Lock No. 4 of the canal and locks, Willamette Falls, Clackamas County, Oreg.

On June 8, 1921:

H. J. Res. 148. Joint resolution for the relief of sufferers in Colorado from the flood due to the overflow of the Arkansas River and its tributaries.

On June 10, 1921:

H. R. 89. An act for the public sale of a post-office site on the west side of South Main Street, in the city of Bethlehem, Pa.; and

H. R. 6567. An act to amend section 407 of the transportation act of 1920.

On June 16, 1921:

H. R. 6300. An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes.

On June 18, 1921:

H. R. 2466. An act to constitute Fort Worth, in the State of Texas, a port of entry and to extend to said port the privileges of section 7 of an act approved June 10, 1880, entitled "An act to amend the statutes in relation to immediate transportation of dutiable goods, and for other purposes"; and

H. R. 3018. An act granting the consent of Congress to H. H. Haynes to construct a dike across Mud Slough, on Isthmus Inlet, in section 23, township 26 south, range 13 west, of Willamette meridian, in Oregon.

On June 21, 1921:

H. R. 4091. An act granting the consent of Congress to the Borderland Coal Corporation to construct a bridge across the Tug Fork of Big Sandy River, in Mingo County, W. Va.

On June 24, 1921:

H. R. 2428. An act granting certain lands to Converse County, Wyo., for a public park; and

H. R. 5223. An act to exempt from cancellation certain desert-land entries in Riverside County, Calif.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills and joint resolution:

H. R. 5616. An act granting the consent of Congress to the commissioners of Venango County, their successors and assigns, to construct a bridge across the Allegheny River, in the State of Pennsylvania:

H. J. Res. 82. Joint resolution ratifying the reestablishment of the boundary line between the States of Pennsylvania and Delaware:

H. R. 2499. An act to provide for the acquisition by the United States of private rights of fishery in and about Pearl Harbor, Territory of Hawaii; and

H. R. 5010. An act making appropriations for the support of the Army for the fiscal year ending June 30, 1922, and for other purposes.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 1837) to amend section 32 of the act of Congress approved July 17, 1916, known as the Federal farm loan act.

CONSTRUCTION OF RURAL POST ROADS.

The SPEAKER pro tempore. The gentleman from New York [Mr. DUNN] is entitled to 20 minutes and the other gentleman from New York [Mr. HICKS] is entitled to 20 minutes.

Mr. SNYDER. Mr. Speaker, I desire to say that my colleague from New York [Mr. HICKS] desired me in his absence to take charge of the time in opposition to the bill.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SNYDER. I am.

The SPEAKER pro tempore. The Chair will recognize the gentleman from New York [Mr. SNYDER].

Mr. DUNN. Mr. Speaker, I would like to submit a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DUNN. I would like to have a ruling of the Chair as to whether anyone is entitled to take charge of the bill who is against the provisions of the bill, even though he is chairman of the committee?

Mr. ROBSION. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. ROBSION. Will the gentleman from New York yield?

Mr. MONDELL. Mr. Speaker, before the gentleman from Kentucky [Mr. ROBSION] interrogates the gentleman from New York, may we know what the gentleman's parliamentary inquiry was? We did not hear it.

The SPEAKER pro tempore. The gentleman from New York [Mr. DUNN], the chairman of the Committee on Roads, who moves to suspend the rules and pass the Senate bill with House amendment, states that he is opposed to the bill and wishes to know whether he is entitled to control the time under those circumstances for 20 minutes in debate.

Mr. MONDELL. Mr. Speaker, if the Chair will allow me, I do not know whether that is a parliamentary inquiry or not. True, it presents a situation which I am sure will appeal to the gentleman from New York if he will stop for a moment to think of the situation presented. The gentleman from New York may, of course, very properly hold any opinion for or against the bill, but I think the gentleman will scarcely desire to control the time on behalf of the bill and speak against it. So it occurs to me that, if the gentleman is to speak against the bill, the proper way for him to do it would be to yield the time on behalf of the bill to some one who is in favor of it.

Mr. BLANTON. A point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Emergency Tariff.

SPEECH

OF

HON. JAMES A. REED,

OF MISSOURI,

IN THE SENATE OF THE UNITED STATES,

Tuesday, May 10, 1921.

The Senate had under consideration the bill (H. R. 2435) imposing temporary duties upon certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money, and for other purposes.

Mr. REED. Mr. President, the Senator from New Jersey [Mr. EDGE] has just concluded a very interesting speech. It can be fairly summarized as follows: "I have finally concluded to vote for the pending bill, but I want everybody to understand that I am obliged to hold my nose."

Only a few weeks since, the Senator voted against an almost identical bill. The chief reason he assigns for changing front is that the present bill which he supports will only remain in force 6 months, whereas the former bill which he opposed would have been in force 10 months. In a word, the less there is of the thing the better the Senator likes it. If the bill were to be in force 10 months it would be utterly abhorrent, but if the time is to be reduced 6 months it may be accepted "fingers to the nose." Why, then, I inquire, not carry the process of subtraction to the zero point? In that event the Senator could assume his ordinary attitude and endure without torture the atmosphere of his own vote. [Laughter.]

We have heard thus far nothing but apologies for this bill. Perhaps we should except the Senator from South Dakota [Mr. MCCUMBER] who is valorously backed by the Senator from Pennsylvania. "Farmer PENROSE" has suddenly manifested great anxiety for the welfare of his brother agriculturalist. He has in the last few days insisted that the bill be rushed to passage and thereby—as he would have us believe—the price of all farm products immediately increased, the downtrodden farmer rescued from bankruptcy and started triumphantly upon the highway of glorious prosperity.

With what indescribable pleasure the farmers of the great wheat and corn belt will welcome this new champion of their cause. Hereafter at eventide they will resign themselves to the embrace of peaceful slumber and the delights of happy dreams, serenely confident that the Senator from Pennsylvania holds sleepless vigil to guard their interests. [Laughter.]

Mr. PENROSE. Mr. President, will the Senator, as he is referring to me, permit a slight allusion?

Mr. REED. Certainly.

Mr. PENROSE. I want to remind the Senator of the fact that the imperial Commonwealth of Pennsylvania, which I in part represent in this body, ranks twelfth or thirteenth in agricultural products in the United States, and that one county—the county of Lancaster—has had in every decennial census for some six or seven decades the distinction of being the richest county in the United States in annual production. It may arouse the Senator's interest also to know that Pennsylvania produces more hay than any other State in the Union.

Mr. REED. Probably so, but its products are not limited to hay nor its citizenry to farmers. It is the habitat of other things. [Laughter.]

At least in my section of the country the Senator from Pennsylvania has not in the past been regarded as a particular champion of the tillers of the soil. I am therefore rejoiced that I can now assure them that the Senator from Pennsylvania [Mr. PENROSE] and the Senator from New Jersey [Mr. EDGE], now experiencing the ecstacies of recent conversion, are looking after their interests and that they need not further care for themselves. They are to be hereafter gathered within the protecting arms of PENROSE and EDGE. They will undoubtedly be "taken care of." [Laughter.]

Mr. FRANCE. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. REED. I do.

Mr. FRANCE. I merely want to say that I am assured by prominent agriculturists of Pennsylvania that the Senator from Pennsylvania [Mr. PENROSE] has always been most friendly to the agricultural interests. He has made many a fight for laws for the protection of the rights of farmers, particularly on the oleomargarine question and other questions of vital interest to the agricultural workers of the State of Pennsylvania.

Mr. REED. When I find the Senator from Maryland collaborating with the Senator from Pennsylvania I can do no more than to reverently exclaim: "How beautiful a thing it is for brethren to dwell together in unity." The cup of my happiness is full; the case is complete. There can no longer be doubt that the farmers of the great West may repose in perfect security.

But I remark that, if the newspapers were to be credited, one of the first interviews the Senator from Pennsylvania gave out, just before or immediately after this session of Congress met, was to the effect "that this farmers' tariff bill had been laid aside permanently." The Senator has experienced a change of heart. Perhaps before I conclude my remarks the reason may appear.

I now yield to the Senator from Maryland.

Mr. FRANCE. Mr. President, I merely wish the RECORD to be correct on this matter. As a matter of fact, the Senator from Pennsylvania and myself are often found voting together, particularly where agricultural interests are involved, and I would remind the distinguished Senator from Missouri that the acid test of a Senator's attitude toward the agricultural interests of this country was presented by the food-control bill, the most hostile bill ever presented to the Congress of the United States, so far as agricultural interests are concerned. The RECORD will show that the Senator from Missouri, who has always been a friend of the agricultural interests; the Senator from Pennsylvania, who has also been their friend; and the then junior Senator from Maryland, myself, voted against that bill, and I am proud of it. That, I think, was the acid test of a man's attitude toward the agricultural interests of the country, and I am very happy to say that the distinguished Senator from Missouri, the senior Senator from Pennsylvania, and myself stood that acid test.

Mr. REED. Mr. President, I am quite willing to admit that when any Senator votes with me he is for the nonce voting right. Was it not Cicero who declared, "He who throws the javelin all day must needs sometimes hit the mark"? So I can understand why gentlemen, who are usually wrong, may happen occasionally to be right, in which case they naturally vote with me. [Laughter.]

Mr. President, the Senator from New Jersey [Mr. EDGE] clearly indicated his utter disgust with the old-fashioned Republican tariff doctrine. Declaring that the great automobile factory of the present can not be run on the principle of the wagon shop of the past, he drew the deduction that we must not cling to the obsolete notions of 20 years ago, and added that it was about time we should "get down to the basis of common sense." To the Senator from New Jersey, the Democratic Party extends its hand and exclaims, "Welcome, brother." The conversion of the Senator may be regarded as presaging the faint auroral dawn of that day when the Republican Party will recognize certain great economic facts, among which are these:

That we can not get rich swapping with ourselves; that we can not sell goods abroad unless we also buy abroad; that we can not send our merchant marine out laden to the water line and bring it back in ballast and keep the fleet afloat; that if we are to employ the 51 per cent of our population now residing in cities, we must find a foreign market for the surplus goods they produce; that if our surplus goods plus the enormous costs of shipment can be sold in foreign countries in competition with all the world, the claim that they need protection at home, within the very shadows of their factories and under the smoke of their chimneys, is an absurdity that can not be justified. In brief, we must abandon the fallacies of protection for the rule of common sense. I am glad, therefore, that the Senator from New Jersey tells us that he proposes hereafter—saving his vote on this bill—to "adopt common sense" as his guide. Accordingly, I commend him to a reading of Democratic platforms. They may aid him to reach the new goal toward which, somewhat late in life, he is turning his tardy feet.

Mr. President, this bill bears the alluring title of "The farmers' protective bill." It is in fact loaded with provisions to advantage the manufacturers and the great organizations we commonly call trusts. I assert that "it was conceived in fraud and brought forth in iniquity." In the last analysis, it is a fake, pure and simple. It is an insult to the intelligence of the farmers of the United States, who will speedily discover it has benefited them not a dollar, but that it has directly increased the profits of the great protected industries and that it will be

employed in the future to justify additional exactions they are now preparing to demand.

Hitherto the proponents of the protective theory have gone no further than to assert that the American manufacturer could not compete with his foreign rival. Now we are told that not only the manufacturer but the farmer and the producer of every kind of article must be protected. Thus, heaping absurdity upon absurdity, we come to this, that the American citizen is the most helpless man in all the world. He can not compete with any man of any country on any single article produced by human skill even when aided by natural advantages or the beneficence of God. Hence, it is asserted that we must build a tariff fence around the country, to adopt the old phrase, homely but very expressive, "horse-high, hog-tight, and bull-strong."

If that be true then we can not ship a single thing abroad, because if we can not compete in our own markets with foreign goods shipped here, we can not ship goods thousands of miles from our shores and sell them in competition with the world. Clearly we can not do this unless we sell our goods abroad for less than they are sold to our own people. That monstrous proposition has indeed been suggested, but the American people will hardly consent to the creation of a tariff wall which prevents them from buying goods abroad and enables American trusts to charge them high prices while it is selling its goods abroad at low prices.

Moreover, while we shut the world out of our markets, we shut ourselves out of the world markets. Trade must be mutual. If we are to sell, we must likewise buy.

The doctrine that no American product can compete with foreign products is the more astonishing in view of the fact that at the present time all of the world is largely dependent upon the United States for financial support.

The absurdity of the claim is further manifest when we consider that our exports have increased from $1,829,000,000 in 1910 to the enormous total of $7,750,000,000 in 1919.

The absurdity is increased by the fact that we have just finished the creation of a great merchant marine for the purpose of trading with the world, yet we are asked to build a tariff wall to prohibit that very trade.

It is claimed, however, that this bill is intended to meet a temporary emergency created by the importation of large quantities of agricultural products which it is asserted are just now, for some mysterious reason, being dumped upon the United States. I shall, I think, demonstrate beyond peradventure that if any such condition ever existed it has now ceased to exist. The bill is brought forward after the alleged emergency has passed. The fire department is dashing across the country with the Senator from Pennsylvania on the front seat lashing his prancing steeds and the Senator from North Dakota on the back step of the engine shoveling coal in response to a false alarm turned in by the Senators themselves. Even at that, their arrival is so late the crowd has discovered the alarm was a fake and has disgustedly dispersed.

As is well known, the products of our farmers from last year's crops are nearly all in the hands of the great manufacturers, the middlemen, and the speculators. The proper title to this bill would be: "A bill for the relief of the factories, the middlemen, and the speculators in farm products; to deceive farmers, bamboozle Democratic statesmen, and to afford an excuse for a sky-high tariff to bleed the farmers and the American people, and for other nefarious purposes."

A plain statement of the case is—

1. That the bill is brought forward after the importation of farm products into the United States has practically ceased.

2. After the dire predictions that the country was about to be flooded with importations of farm products have been proven false.

3. After the crop of 1920 has nearly all been sold by the farmers and is in the hands of middlemen, speculators, and manufacturers.

4. The bill by its express terms expires in six months, so it will have ceased to be a law before the crop of 1921 can be harvested and marketed by the farmers.

In brief, the bill can not benefit the farmer, who has already sold the crop of 1920; neither can it benefit him on the crop of 1921, for before it can be marketed the bill will have expired by limitation.

Behold the miserable farce as it proceeds! The Senator from Pennsylvania to the center of the stage in the rôle of a king with Democratic Senators as his humble servitors.

I present a collation of the bill showing the articles that are taxed, the present rate of duty, and the proposed rate.

Free lists.

COMMODITIES OF WHICH EXPORTS ARE GREATER THAN IMPORTS.

Commodities.	Present duty.	Proposed duty.
Wheat	Free	35 cents per bushel.
Wheat flour and semolina	do	20 per cent ad valorem.
Corn	do	15 cents per bushel.
Meat and dairy products:		
Fresh, frozen beef, veal	do	2 cents per pound.
Lamb and pork	do	Do.
Fresh mutton and lamb	do	Do.
Prepared and preserved meats.	do	25 per cent ad valorem.
Breeding stock	do	Free.
Fresh milk	do	2 cents per gallon.
Fresh cream	do	5 cents per gallon.
Condensed and evaporated milk.	do	2 cents per gallon.
Cotton:		
Short staple (−1⅛-inch)	do	Free.
Long staple (1⅛-inch)	do	7 cents per pound.
Potatoes	do	25 cents per bushel.
Beans (dried)	do	2 cents per bushel.

COMMODITIES OF WHICH IMPORTS ARE GREATER THAN EXPORTS.

Wool:		
Unwashed wool	Free	15 cents per pound.
Washed wool	do	30 cents per pound.
Scoured wool	do	45 cents per pound.

DUTIABLE COMMODITIES.

Sugar:		
75 degree test	0.985 cent per pound	1.16 cents per pound.
95 degree test	1.825 cents per pound	2.12 cents per pound.
Rice:		
Cleaned	1 cent per pound	2 cents per pound.
Cleaned for use in manufacture.		1 cent per pound.
Uncleaned	⅜ cent per pound	1¾ cents per pound.
Flour	½ cent per pound	1 cent per pound.
Rice paddy	⅜ cent per pound	¾ cent per pound.
Tobacco:		
Unstemmed	35 cents per pound	35 cents per pound.
Unstemmed, Cuba reciprocity	35 cents per pound, 20 per cent.	Do.
Stemmed	50 cents per pound	50 cents per pound.
Stemmed, Cuba reciprocity.	50 cents per pound, 20 per cent.	Do.
Peanuts:		
Shelled	¾ cent	3 cents.
Unshelled	¾ cent	Do.
Peanut oil	6 cents	26 cents.
Butter	2½ cents per pound	6 cents per pound.
Cheese	20 per cent ad valorem	23 per cent ad valorem.
Apples	10 cents per bushel	30 cents per bushel.

I also print at the close of my remarks certain tables compiled from the latest official reports. Careful examination of these tables will show that the articles affected by the present bill naturally divide themselves in three groups.

(a) Those articles of which we annually export much more than we import.

These articles are:

	Annual production in United States, 1920.	Exports.	Imports.
Wheat	937,285,000 bushels	218,280,000 bushels	37,756,000 bushels.
Corn	2,858,590,000 bushels	17,761,000 bushels	7,744,000 bushels.
Meat and dairy products.	Not given	$1,160,643	$37,368,000.
Tobacco	1,064,000 pounds	467,679 pounds	82,221 pounds.
Potatoes[1]	430,438,000 bushels	4,153,000 bushels	6,062,000 bushels.
Apples	2,187,000 bushels	1,797,000 bushels	Practically none.
Butter[2]	Not given	34,556,000 pounds	9,519,000 pounds.
Cheese[3]	do	16,291,000 pounds	15,993,000 pounds.
Milk[4]	do	414,250,000 gallons	27,873,000 pounds.
Onions[5]	11,920,000 bushels	945,000 bushels	1,819,000 bushels.
Rice	3,220,000 pounds	392,312,000 pounds	142,951,000 pounds.

[1] The average imports over a period of seven years are far below the exports. At the present time we are exporting heavily and importing practically no potatoes.
[2] The imports for 1920 exceeded the exports for, I think, a single year but the general average for years show that exports far exceed imports and the amount imported is inconsequential, when considered in connection with the vast amount produced.
[3] The general average for several years show the exports to have largely exceeded the imports.
[4] The general average of exports and imports show an ever greater disparity and the total amount of either exports or imports is almost inconsequential when compared with the vast amount produced and consumed.
[5] The general average for years show more exports than imports.

Of the above articles wheat, flour, corn, meats, milk, and potatoes are at present on the free list. They are under this bill highly taxed.

Onions, tobacco, butter, cheese, and rice are at present dutiable. The present bill largely increases the rate of duty.

(b) The imports exceed the exports on the following articles: Wool, sugar, peanuts, olives, live cattle, sheep, vegetable oils, flaxseed.

Of the following articles we import considerably more than we export, some of the articles not being produced in this country at all, some being of an inferior quality, and in other instances, notably sugar, the country being unable to produce enough for home consumption. Among the latter are peanuts, sugar, wool, flaxseed, olives.

(c) Cotton: Cotton should be considered by itself, because the tariff is not intended to apply to ordinary cotton produced generally in the United States. It is limited to that variety commonly known as sea-island cotton, a cotton of a very long fiber. That cotton can only be produced in very small areas of the United States. It will only grow in a few places. We can not therefore produce anything like the quantity demanded. It is used to mix with our ordinary domestic cotton, and it is also employed in the manufacture of a very superior brand of cotton garments which resemble silk. This cotton can never be produced in the United States in sufficient quantities to supply the demand. The proposed tariff will benefit a few producers and will operate to the detriment of the ordinary cotton producer, because the long-staple cotton can be advantageously mixed with the staple cotton commonly grown. The insignificance of the importation compared with the total production is illustrated by the fact that in 1920 we grew in this country 11,420,000 bales of cotton. We exported 6,159,000 bales and we only imported 600,000 bales.

What I have said very briefly condenses the purport of the bill and throws into relief the salient facts necessary to its proper analysis.

It will be observed that we have taken from the free list nearly all of the chief farm products and have placed a high tariff duty on them.

Wheat heads the list with a prohibitive duty of 35 cents per bushel. An examination of the arguments advanced in the support of the bill will demonstrate that they are without support of either logic or fact. An almost identical bill was before the last session of Congress and suffered a pocket veto. The arguments then adduced are being rehashed now. Condensed they amount to this:

(1) That this country was being inundated by a vast flood of farm products from other countries.

(2) That these importations were coming in an increasing rate and that countless bushels of wheat, corn, and other products would be dumped upon the country in the three or four months succeeding the month of December, 1920.

It is now asserted that these conditions still exist and that unless this bill is enacted the country will be ruined. Upon the other hand it is claimed that if the bill is passed the price of American farm products will at once rise to the level of the prices paid in the early part of 1920.

In proof of this I cite the following statement made by the distinguished Senator from North Dakota [Mr. McCUMBER] when the substantial duplicate of this bill was before the Senate during the last session of Congress. On the 14th of December, 1920, he declared:

> If we could stop imports in a month the price of American wheat would be as high as it was a year ago, in my opinion, because there would be a shortage.

He further stated:

> Reports a few days since indicate over 72,550,000 bushels of wheat received at elevators at Fort William and Port Arthur; 45,420,000 bushels have been shipped to the United States and it is prophesied that there will be considerable in addition to this.
>
> The 45,000,000 bushels already dispatched to Buffalo or other northern ports take no account of the enormous shipments that have gone forward since December 3, up to which date the records were available. Five million bushels still can be placed aboard vessels now lying in harbor, and before navigation closes Canada will have sent to the United States ports, through elevators here, about 56,000,000 bushels of wheat.

Let us see how much truth there was in that statement, a statement which was accepted by the Senate as a fact and which became the chief basis of argument for a protective tariff upon wheat. The fact was that during the entire year of 1920 we only imported from Canada 37,756,000 bushels of wheat, whereas our friends would have us believe there were 56,000,000 bushels of wheat coming in in the single month of December.

It can not be argued that the wheat came in after the month of December because in the month of January we only imported 4,504,000 bushels, in February 4,403,000 bushels, and in March the importations had fallen to 2,671,000 bushels.

In a word the importations from Canada have already fallen to almost the normal.

I shall show in a moment that wheat comes to us from Canada for economic reasons and that it does not substantially reduce the price paid for the domestic product.

Mr. President, I wish to dwell for a moment upon the Canadian situation, because in my opinion it lies at the very basis of our foreign trade. Canada is to-day and has for years been the best customer of the United States. I insert a table giving a comparison of our business with Canada and with other countries of the world:

Exports to and imports from various countries.

CANADA.

[Taken from Statistical Abstract, 1919, p. 397.]

Calendar year.	Exports.	Imports.	Per cent free.	Excess of exports (+) or imports (−).
1913	$403,191,392	$142,127,982	62.58	+ $261,063,410
1919	734,244,319	494,696,548	88.73	+ 239,547,738

MEXICO.

[Statistical Abstract, 1919, p. 399.]

1913	$48,052,137	$81,735,434	85.54	− $33,683,297
1919	131,455,101	148,926,376	87.74	− 17,471,275

TOTAL SOUTH AMERICA.

[Statistical Abstract, 1919, p. 406.]

1913	$146,514,635	$198,259,005	95.07	− $51,744,370
1919	441,747,728	687,525,388	91.34	− 245,777,660

TOTAL ASIA.

[Statistical Abstract, 1919, p. 411.]

1913	$126,122,651	$281,407,363	71.00	− $155,284,712
1919	701,647,787	1,041,444,129	79.87	− 340,279,342

AUSTRALIA.

[Statistical Abstract, 1919, p. 412.]

1913	$43,773,819	$10,420,053	77.29	+ $33,353,766
1919	95,085,059	58,157,718	97.40	+ 36,927,341

TOTAL EUROPE.

[Statistical Abstract, 1919, p. 396.]

1913	$1,499,573,363	$864,666,103	40.51	+ $634,907,260
1919	5,187,666,363	750,528,389	42.08	+ 4,437,137,974

TOTAL WORLD.

[Statistical Abstract, 1919, pp. 502 and 465.]

	Exports of domestic.	Imports.
1919	$7,749,815,556	$3,904,364,932

Referring to the table it will be found that if we go to 1913 as the year of normality, we exported to Canada in that year—in round numbers—products worth $403,000,000, and imported products worth $142,000,000. The balance of trade in our favor was $261,000,000.

In 1919 we exported to Canada $734,000,000 worth of our products; we imported $494,000,000 worth of products; and we had a balance of trade in our favor of $239,000,000.

Now, let us stop a moment and ask why we should not trade with Canada. There is nothing between Canada and the United States but a red line drawn on the map. The soil of North Dakota and of all of our Northwestern States runs directly on into Canada. They have the same kind of soils there, speaking broadly, that we have in northern United States. They have a population that is more like the population of the United States than has any other people of any land whatsoever. One may visit in Canada and be there a month and scarcely realize that he is outside the borders of the United States. The Canadians pay a little higher farm wages than we do in the United States. That is due to the fact that in a new country wages always are higher than in a country thoroughly developed. The Canadians use the same kind of farm implements, and they buy them nearly all from us. They have the same language, the same school system, the same religion, the same hopes, the same code of morals, and the same high ambition and desire to succeed. They are so much like the people of the United States that I would they were a part of the United States, although I do not expect to see them so.

Mr. POMERENE. They also have the same blood.

Mr. REED. And, sir, as is suggested by the Senator from Ohio [Mr. POMERENE], they have the same blood as have the people of the United States. Why, then, should we not trade with those people? Trade is based upon economic reasons. We trade with a man because he has something that we want, and we have something he wants. Trade is not based upon the question of national allegiance; it is founded upon mutual advantage. If it be conceded that the people of the United States have enough sense to take care of themselves, we are confronted here with the question of barring us from trade with a country exactly like ours.

If it be asked why Canadian wheat comes to Minneapolis and other great centers of the United States, I answer by asking, why does wheat go from North Dakota to Minneapolis? Both questions are answered by the map which I have had suspended from the wall of the Chamber. If Senators will look on that map and observe the heavy blue lines, they will see that the great trunk lines of railroad run from North Dakota down to Minneapolis. When a farmer wants to get his wheat to a mill, he puts it on a car that is going to the mill, and that is all there is to it.

However, those same lines of railroad cross the imaginary line between North Dakota and Canada and run into and tap the great wheat fields of Canada. The Canadian farmer, who is just across the line, puts his wheat in the same kind of cars on the same tracks that the North Dakota farmer does and sends it to Minneapolis, because it is where the cars go. The wheat seeks its natural outlet. Mr. President, it would be just as sensible to bar North Dakota wheat from Minneapolis as to bar Canadian wheat.

Some Canadian wheat, going over another great trunk line of road, reaches the Lake at Fort William, and there, following the shortest line of travel, it is hauled over the Great Lakes and is milled in the United States, because it is a little shorter and a little better route to a market where the mill is located which is to turn it into flour than it is to carry the wheat clear across the Dominion of Canada to the eastern coast.

Mr. President, when Canadian wheat, following the natural line of travel, comes into the United States and is milled here, does it affect the American market to any material extent? The answer to that is that when Canadian wheat reaches the United States it finds a market which is already oversupplied. That oversupplied market, whether the Canadian wheat comes in or not, must relieve itself by shipments abroad. A large percentage of Canadian wheat must go from Canada, ultimately to be consumed in Great Britain and other European countries. Likewise there goes from American ports a steady stream of American wheat, which must be consumed in the identical countries where the Canadian wheat must find its ultimate markets. There the two wheats meet; they are sold in competition, and the prices in the markets of Liverpool and Berlin fix the prices of the Canadian wheat and of the American wheat. If, therefore, some of the Canadian wheat, because it is raised along certain lines of railroads running into the United States, comes into the United States, it does not affect our market, probably, by so much as one penny, for we must in any event sell our surplus wheat abroad. The whole case is summed up in the statement that the Canadian wheat that crosses our northern line increases by a similar amount what we ship from our eastern ports to Europe. Stated differently, in effect the Canadian wheat is shipped to Europe via American ports instead of via the Canadian ports.

But in the meantime we have had the advantage of mixing the Canadian wheat with the American wheat, producing a better quality of flour than could otherwise have been produced; we have had the advantage of the profit of milling and transporting the Canadian grain; American labor has been employed to that extent, and American capital and labor enriched to that degree, and we have, as a further result, feed for our cattle.

I repeat—and I challenge the Senator from North Dakota to deny the assertion—that there is just as much reason economically for barring the wheat of North Dakota as there is for barring the wheat that is raised just north of the line of North Dakota.

Mr. President, we raised in this country last year, according to the estimates, 934,000,000 bushels of wheat. We shipped abroad approximately 218,000,000 bushels of that wheat. We had left for domestic consumption approximately 700,000,000 bushels of wheat. Now, I want to put to the test the statement that was made by the Senator from North Dakota, who is the leading exponent of this bill and is, therefore, receiving my particular attention. I want to put to the test the statement that he made and which I now again read to the Senate:

> If we could stop imports for a month, the price of American wheat would be as high as it was a year ago, in my opinion.

That statement was made in December, 1920. Let me assume that the Senator is right. The price of wheat at the time the Senator made that statement was $1.44; the price of wheat the year before was $2.15. The Senator tells us that with a crop of 934,000,000 bushels plus, if we had barred out 37,756,000 bushels coming from Canada, it would have raised the price of all the wheat in the United States by the difference between $1.44 and $2.15, which is 71 cents a bushel.

That is to say, that by adding a tariff of 35 cents a bushel we would increase the price 71 cents per bushel. Assuming for the moment that his figures are correct, let us see how much it would cost the American people. We consumed last year 700,000,000 bushels of wheat and we will consume an equal amount this year. If that 700,000,000 were increased by 71 cents per bushel, it would increase the price to the American consumer $497,000,000. If that is true, then the man who with his eyes open casts a vote for this bill, and thus places a tariff of $497,000,000 upon the American people, is guilty of not only a wrong but of a crime.

But how ridiculous is the statement that by putting a tariff of 35 cents per bushel on wheat imported into America we can thereby increase the price of wheat 71 cents per bushel. For, mark you, if that were the result, then a Canadian farmer could send his wheat into the United States, pay the 35-cent duty, receive the increased price of 71 cents, and at the end of the transaction be 36 cents per bushel richer than he was before the tariff was enacted. The inevitable result would be that our markets would immediately be flooded with all the wheat from Canada, because the Canadian trader could realize 35 cents more per bushel by shipping to this market than he could by shipping to other markets of the world.

And yet upon such a statement as that, so at war with everything that is reasonable that I can not characterize them in parliamentary language, this bill is predicated and we are asked to pass it.

But this is not all the story. Just as soon as this miracle is performed and American wheat goes to $2.15, all of our wheat shipped to Europe will begin to be shipped back, because its owner can make 36 cents a bushel by sending it back. That is an enormous profit. If it could be realized all the wheat of the world would soon be crowding American docks. It would come in such quantities we could not unload it. Manifestly, upon such an absurdity as that no bill should be bottomed.

Let us see how it will operate with corn. They tell us that if a tariff of 15 cents is levied upon corn, corn will be advanced to the American farmer by that 15 cents a bushel. What would that do to the consumer of American corn, to the people of the United States, to the cattle feeder and the hog feeder? What effect would it have upon the price of meats? How much would it cost in round numbers?

Last year we raised in this country 2,858,000,000 bushels of corn. If this tariff should add 15 cents a bushel to the price, then we would put a burden of $428,000,000 upon the American people for the corn that is consumed at home. This we are asked to do that we may keep out of this country how much corn? Why, sir, we imported in the month of March 7,000 bushels of corn, in the month of February 3,000 bushels of corn, in the month of January 8,000 bushels of corn, in all of last year 7,744,000 bushels of corn; and against that terrible menace we are asked to levy a tariff which they say will add 15 cents per bushel to the entire domestic production. The more reasonable proponents of this bill assert, however, that if this proposed tariff is levied it will increase the price of the products by the amount of the tariff. Let us examine that proposition for a minute, and see what that means to the American people, and then what the figures of the Senator from North Dakota mean to the American people. If the 35 cents tariff levied added 35 cents to the price of wheat, the price of the 700,000,000 bushels consumed by the people of the United States would be increased by $245,000,000, and the people of the United States would pay $245,000,000 for the purpose of keeping out a total of 37,756,000 bushels of wheat. Now, the 37,756,000 bushels of wheat at $2 a bushel—and wheat is not worth that—would bring only $75,512,000; so that the proponents of this bill tell us that they are going to levy a tax upon the American people of $245,000,000 in order to keep out wheat of the total value—at $2 a bushel—of $75,000,000. We had better buy the 37,756,000 bushels of Canadian wheat imported and burn it than do a thing like that.

Is there anything among all the absurdities that have ever been proposed equal to the proposition that you can levy a tariff of 15 cents a bushel on corn where we produce almost 3,000,000,000 bushels and, by keeping out 7,000,000 bushels

through that tariff increase the price of the 3,000,000,000 bushels by $428,000,000. Is there anything that has ever been proposed by any man outside of a lunatic asylum that is as ridiculous as the proposition that keeping out the 7,000,000 bushels of corn would in any serious manner affect the market of the United States?

This is especially manifest when we remember that always our exports of corn far exceed the imports.

Mr. President, if this pretense which is being given to the farmers were true; namely, that the tariff will increase the value of their products by the amount of the tariff; and if you should figure it upon beef, upon tobacco, upon rice, upon our meat and our dairy products, you would bankrupt the people of the United States. Moreover, you would bankrupt the farmer himself; for if it did operate to increase the price to the American farmer by the amount of the tariff, it would immediately make it impossible for us to sell our excess abroad, because there would be then two price levels, a low price abroad and a high price at home. The result would be that no one would sell abroad. Accordingly all the surplus would remain here and at once break the domestic market.

What an absurdity it is to say to the American farmer that he can be protected on wheat when he must sell nearly one-third of his entire crop abroad every year. When it goes abroad it is sold upon the level of foreign markets. The moment the price at home goes above the foreign market by virtue of a tariff or any other reason, the wheat ceases to go out, and then you have a surplus in your home market, and immediately the price goes down in the home market. How ridiculous to tell a farmer in a country where we raise 3,000,000,000 bushels of corn annually and import only 7,000,000 bushels and export 17,000,000 bushels, that the American farmer can have the price of his corn increased by levying a tariff that shall not 7,000,000.

What kind of logician conceived the idea that when we produce in the United States 2,500,000,000 pounds of rice every year, and having more than we can use, export 375,000,000 pounds, we can raise the price on the entire crop by levying a tariff upon rice? You say there are some imports. Yes; in the case of rice, we import about 8,000,000 pounds, but we send away 17,000,000 pounds—twice as much as we bring in.

It is no wonder that the proponents of such a bill flee the Chamber. Its doughty champions will be found here only to answer to their names on the roll call. Then they pass this measure, with their fingers to their noses and a leer in their eyes, thinking they are imposing upon farmers. I know many farmers who have more sense than some United States Senators. The intelligent farmers will not be fooled by this measure.

Let us take the item of tobacco. We produce in this country in 1920, 1,508,000,000 pounds. We imported 51,000,000 pounds, but we exported 467,000,000 pounds. Clearly we imported some special varieties of tobacco which we could not advantageously raise here. This imported tobacco we use largely to mix with the domestic product. The sole effect of this tariff will be to raise the price to the American consumer on a variety of tobacco which the American farmer does not produce. Yet there are men who support this bill because of the tobacco schedule, vainly hoping that they may fool somebody who raises tobacco. Let me say to those gentlemen that the boy who has sense enough to pick tobacco worms off the plants in the field can see through so transparent a fraud and sham as this is.

Let us take the question of meats. The tariff which this bill proposes to levy upon meats is 2 cents a pound on fresh meat; on preserved meats, 25 per cent ad valorem. If the tariff does not add to the price, then clearly it does the farmer no good. If it does add to the price, then the American consumer must pay the added price. If you add 2 cents a pound to the meat consumed by the American people, the tribute will be enormous. There are no figures giving the production of milk in the United States, as far as I have been able to discover, just as there are no figures giving the production of milk and butter, as far as I have been able to find. Perhaps some one will be more fortunate than I have been, but I think the correct reason is that so much of the butter and milk is consumed at the farm where it is produced and so much of it is consumed in the near-by villages that there is no way to tell what this huge production may be, and that is similarly the case, although not to so marked a degree, in the matter of meats. But if you should add 2 cents a pound to the price of all the meat the American people consume, and if you should add 2 cents per gallon to the price of milk and 5 cents to that of cream, you would place a burden upon the consumers of America which, in my opinion, would run into the billions of dollars.

But let us see, again coming to the question of meats, whether it is possible for this tariff to have any material effect at all. In the year 1919 we imported $37,368,000 worth of beef, but we exported $1,160,643,000 worth. What an absurdity it is to say that a country which is exporting billions of dollars' worth of meat and importing millions of dollars' worth can be benefited materially by this tariff, so far as the price to the producer is concerned.

Again, if you inquire why that meat came here at all, you will find it is due to the fact that there have been some cattle slaughtered and shipped across the Canadian line from farms which are just like our farms, and there have been some small quantities of meat imported into this country from South American countries, but the amount is, nevertheless, absolutely negligible, and the benefit flowing to the farmer from this bill will be equally negligible.

The virtue of this bill is not to be found alone in the fact that it will last but six months; it is to be found in the greater fact that it will not do anything during the six months.

Suppose this tariff did raise the price of American meat 2 cents a pound by shutting out $37,000,000 worth of meat; then what would happen to the $1,160,000,000 worth we send abroad? If it should be increased in value 2 cents a pound in this market, it could not be sold abroad in competition, and hence it would stay here, and, from the farmer's standpoint, it would break his market. Of course, you could put an embargo on the shipment of meat, but if you put an embargo on the shipment of meat, while you might temporarily benefit the consumer, you would ruin the farmer. The great trade barometer of the world must fix and does fix these prices, save where they are juggled by combinations in America.

Now, putting aside the meat which may drift to this country from the Canadian market, let us see who it is ships meat into our market. It nearly all comes from South America, and from 50 to 60 per cent of all the meat from South America is controlled by the same gentlemen who are charged with controlling the American market, to wit, the five big packers. Do you imagine you are going to change their prices to the American farmer by saying that a little meat can not be shipped in here from their own packing houses in South America? The proposition is simply absurd. There, indeed, one might rest the entire case.

Mr. President, perhaps one of the most ridiculous things in this bill is its cotton provision. We propose to levy a tariff of 7 cents a pound upon long-staple cotton; that is, cotton that has a fiber 1⅛ inches long or longer. Let us examine this question a little. This country needs the long-staple cotton. It can not be produced in the United States in sufficient quantities, simply because there is only a little land in the United States which will grow it. But when it is brought here—and I am addressing myself now to the people of the cotton States—it can be mixed with the shorter cottons of this country, which are produced in great quantities, to the advantage of the shorter cottons, so that the more we get of it here the better chance we have to make good fabrics for the American people and fabrics which we may sell abroad.

Now it is proposed to levy a tax upon this cotton that is raised by a few men who have, fortunately for themselves, a monopoly of the only ground in the United States where it will grow, a few places in the South and an irrigated patch out in Arizona that is not big enough, I think, to have a rabbit chase on. Because these men have already this advantage over the other cotton farmers of the United States, because they have already seized the only ground on which this variety of cotton can be raised, it is proposed to levy a tariff upon that particular variety of cotton, which, speaking broadly, may be said to be already monopolized in the hands of a few men. All the rest of the cotton raisers of the country must sell their cotton in competition with the world.

There are some Senators who appear to be unable to see beyond the narrow limits of their constituents' little sea-island cotton patches and the votes of the said constituents.

They are willing to place a sort of embargo upon manufacturing, and also to do a thing injurious to the raiser of short-fiber cotton in order that they may get a few votes for themselves. That is the plain English of it, and it is time we begin to employ language that can be understood.

Let us see about cotton. We imported of all kinds of cotton in the calendar year 1920, 600,000 bales, but we exported during that calendar year 6,159,000 bales. We produced 11,420,000 bales. That which was not sent abroad was, of course, consumed at home. In 1919, 1⅛ per cent of our production for that year was imported, but 6⅜ per cent of our production for that year was exported. How is the cotton farmer then to be benefited? You shut out of this country the long-fiber cotton that is needed to mix to a certain extent with the short-fiber cotton, and thus you injure the domestic market for short-fiber cotton, you injure the foreign market for goods that can be made by mixing

those two grades of cotton, and you injure the vast army of men who are raising ordinary short-fiber cotton for the benefit of the few men who have the advantage of these little patches of land and who can not supply the United States. The proposition is merely monstrous, without rhyme, reason, or sense. It does not rise to the level of sophistry, for sophistry presupposes a proposition that may deceive a man of ordinary intelligence.

Mr. President, I desire to print as a part of my remarks a series of tables brought, as nearly as I have been able, to date, covering the various items of the bill. Broadly speaking, they demonstrate that importations such as were for a time flowing into this country have practically reached the normal state. Therefore, if, indeed, there ever was an emergency, that emergency is past. The bill can be of no benefit. It may do much harm.

The PRESIDING OFFICER. Without objection, the matter referred to will be printed as requested.

Mr. REED. The tables referred to will be found at the end of my remarks.

I have just a word to say as to the methods being employed to get the bill over. They resemble those formerly used to pass appropriation bills. It is well known that appropriation bills in the old days were passed by combining the selfish interests of Congressmen in order to get votes. That was accomplished in this way: Congressman A would want an appropriation in his district that probably ought not to be made at all, but that he sought to have made in order that he might secure more votes when he ran for reelection. Congressman B, and so on down through the alphabet, would have similar propositions. Any one of these men would have been opposed to many other items in the bill, perhaps to every one except his own, if he had voted his conscience and his judgment. But he had "a piece of pork in that barrel," and in order to secure his own piece of pork he was willing to join his vote with that of every other pork Congressman. The aggregate of the pork votes would pass the bill. Each rascal would get his little slice, but the country in the end would be robbed.

That exact process is being attempted in connection with the pending bill. Here is a Senator from a State that has a piece of ground that will raise cotton with a little longer staple than the ordinary planter can produce, and so, in order to increase the price of the cotton from that little patch of ground, he will vote to tax 110,000,000 people. In the last analysis I assert that he is casting that vote because he wants to benefit himself. He may deceive himself. He may put up some sort of sophistry that will confuse his own mind, but in the back of his head, where conscience may lie sleeping, is the knowledge, after all, that he is not voting for his country but for himself.

Here is another man who finds that the farmers of his State are distressed because the price of corn has dropped. Whereupon this demagogue comes forward declaring, "I am your great champion. I am going to put a tariff on corn that will raise the price." And yet he knows we are sending abroad much more corn that we get from any other country. He knows that the price of corn went down in the American market just at the same time it went down in every market of the world. He knows that it will not go up until it does go up in the markets of the world.

He knows that the price of the surplus we send abroad regulates the price at home and does it for the reason that if you cease sending it abroad and try to sell it all at home you will break the home market. He knows corn can only be sold abroad at world prices. He is not brave enough to go to the people of his State and say to them, "Prices have fallen, you have been hard hit, but there is no way in the world to increase your prices by levying a tariff to keep things out of this country when you are producing more than can be consumed in this country and you are obliged to sell your surplus on a world market."

Here is a gentleman who raises some sugar. Now, let me pay a little attention to the sugar schedule. Here we have an article we can not and never will produce in the United States in sufficient quantity to supply our people. Hence, we must always be large importers.

Broadly speaking, we import into the United States about one and one-half times as much sugar as we produce. The exact figures will be found in the sugar table at the close of my remarks. In Cuba and in the Hawaiian Islands cane sugar can be produced cheaper than it can be produced in Louisiana. We have been developing in this country, by means of a tariff, a beet-sugar industry. The present tariff is ninety-eight one-hundredths of a cent and 1.82 of a cent, and it is now proposed to raise those figures, respectively, to 1.16 and 2.12. For what reason; to benefit whom? Is it to benefit the beet raisers of the West? The fact has been demonstrated over and over again that the beet-sugar manufacturer of the West pays to the beet farmer just what he has to pay in order to get the beet farmer to raise beets; that the beet farmer is absolutely at his mercy; and that the proprietor of the beet-sugar plant is a part of the great sugar-refining trust. Oh, the Senator from Utah [Mr. SMOOT] shakes his head and says, "No."

Mr. SMOOT. I do.

Mr. REED. Well, I happened to have been on the lobby-investigating committee a few years ago, and the demonstration was perfectly complete, that the proprietors of what is called the sugar-refining trust—which is a somewhat loose term and embraces several large concerns that seem to operate in concert—owned large blocks of stock in the beet-sugar refineries.

Mr. SMOOT. Mr. President, will the Senator from Missouri yield to me?

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

Mr. REED. I do.

Mr. SMOOT. The Senator from Missouri is perfectly correct in the statement that he has made as to the condition at the time the investigation to which he referred was conducted. The sugar refiners did own I think it was 51 per cent of the stock in many of the beet concerns of the West at that time, but they have sold out that interest. I thought, of course, the Senator from Missouri would like me to state the facts as they exist to-day.

I wish to say further to the Senator that since the hearing to which he referred the beet grower is now paid on the basis of what the sugar brings. There is a flat rate paid him for all of his crop, and he gets one-half of all over and above the flat price that the sugar sells for during that one year, and the manufacturer gets the other half.

Mr. REED. Yes; and the rates are so fixed that Mr. Manufacturer takes good care of himself first. However, I do not dispute the perfect good faith of the statement of the Senator from Utah; I could not do that; I have no desire to do it: but I have seen these "dissolutions" and yielding of stock and the claim made that there is no longer any community of interest. I saw it when the Tobacco Trust was "dissolved." I saw it when the Standard Oil Trust was "dissolved," and I found that the only result of the "dissolutions" was that the concert of action remained and the institutions went forth with a bill of health granted by some court.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield further?

Mr. REED. I do.

Mr. SMOOT. In the case of the sugar industry, there was no dissolution of the Sugar Refiners Trust, but I want to assure the Senator that the refiners received the money for their stock in the beet-sugar factories; they own no interest whatever in those sugar factories, and will lose none of the money that those factories will lose this year.

Mr. REED. Very well. How much did those sugar factories make last year? What were their profits, I want to ask the Senator from Utah, for he knows?

Mr. SMOOT. They made no profit whatever, I will say to the Senator from Missouri, but they have lost millions of dollars.

Mr. REED. When?

Mr. SMOOT. Last year. They paid the farmers $12 a ton for their beets and the sugar that was made out of those $12 beets is being sold by the manufacturer to-day for $6.40, which was the price quoted for it the other day in New York. The manufacturers are losing from 2 to 3 cents a pound on every pound of sugar which they sell.

Mr. REED. I am glad of it.

Mr. SMOOT. The Senator from Missouri may be glad of it, but I am stating the facts.

Mr. REED. I am going to tell the Senator in a minute why I am glad of it.

Mr. SMOOT. I will say that some of the men who bought beet-sugar factory stock from the Sugar Trust, of course, will never get out of the loss, because they borrowed the money with which to make the purchase. The Senator from Missouri will find that the sugar refineries of the country are now engaged in every possible way in an effort to destroy the beet-sugar industry of the country. If they can do that, then, of course, they can charge the people here for refined sugar almost anything they may wish.

Mr. REED. I have heard that cry about destroying the beet-sugar industry of this country before. It was made here for 10 years on this floor by men who knew when they stood on the floor that the Sugar Refining Trust owned the beet-sugar factories. Let us see what are the facts. Moody's Manual of In-

dustrials, 1920, page 2206, shows that the American Sugar Refining Co., commonly known as the trust, does now own one-third of the beet-sugar factories in the United States. It also shows that of the 22 cane-sugar refineries in the United States this company owns, directly or through its subsidiaries, 6, of which 5 are in active operation and the sixth is in reserve, and has a capital stock interest of 24 per cent in the National Sugar Refining Co., which owns two active refineries. *Of the 101 factories in the United States producing sugar from beets it is interested through stock ownership in 30 factories.*

The outstanding capital stock is $45,000,000 preferred stock and $45,000,000 common stock, totaling $90,000,000.

Year.	Net income.	Surplus for year.	Total surplus.
1916	$13,703,000	$2,000,000	$18,348,000
1917	14,212,000	1,000,000	20,361,000
1918	12,557,000	1,000,000	21,383,000
1919	15,250,000	1,000,000	23,152,000

Dividends have been paid at the rate of 7 per cent per annum on preferred stock since 1891 and on common stock as follows:

	Per cent.		Per cent.
1891	8	1900	6½
1892	9	1901 to 1918, inclusive	7
1893	22	1918 to 1920, inclusive	10
1894 to 1899, inclusive	12		

On November 28, 1919, the United States Government entered a suit in equity seeking the dissolution of the company for alleged violation of the Sherman antitrust law. No decree had been rendered up to August 1, 1920.

Now, I will explain why I made the remarks a while ago that if they are losing money I am glad of it. While we were paying 28 cents a pound for sugar in this country the sugar men stood together and exacted that price. The beet-sugar men, who had made their sugar out of beets, did not warrant any such price as that, exacted it——

Mr. SMOOT. The Senator is mistaken so far as the beet-sugar men are concerned.

Mr. REED. Just a moment—and I can prove that they sold their sugar at the very doors of their factories at as high a price as it was sold for when it had been shipped two-thirds the distance across the country and the freight paid. They stood there like old Shylock, demanding of the American people not only their "pound of flesh" but all of the blood that went with it.

Mr. SMOOT. Mr. President, it is pretty hard for men who have not done what the Senator from Missouri has intimated to be classed with the speculators in sugar who bought it and traded in it. Sometimes sugar was transferred to different speculators eleven, twelve, and thirteen times and never taken out of the car until it finally reached the ultimate consumer.

Mr. REED. Very well, I will answer that.

Mr. SMOOT. The beet factories in Colorado got their sugar down to the price that the Government itself paid through its agency, stated they were entitled to receive. I am perfectly aware that the sugar that came into the United States from Cuba and the sugar that was otherwise purchased was transferred sometimes, as the Federal Trade Commission finds, a dozen or more times, and with every transfer there was a profit.

Mr. REED. Yes. Now, Mr. President, let us see about this speculating business. Here is a staple; it does not spoil. You can keep it indefinitely. All you need is a building that is wind and water tight.

Mr. SMOOT. It would require some money to do that, I will say to the Senator.

Mr. REED. Oh, yes.

Mr. SMOOT. Really, it does cost a little to store sugar.

Mr. REED. Do not let us go into the discussion of a little detail like that.

Mr. SMOOT. No; of course, it does not amount to anything.

Mr. REED. It does not amount to anything in the equation that I am going to discuss.

Mr. SMOOT. If the Senator had to pay the cost of making sugar and had to borrow the money to do it, and the payment of the money was being demanded of him, he would find that it was quite a different proposition.

Mr. REED. I know what the Senator is arguing, but it does not meet the question, as I shall show in a moment. I am discussing the excuse the Senator put forward, which by implication is this: That sugar mounted to these exorbitant prices of 28 and 30 cents a pound, but the sugar men were not to blame; some wicked speculators had gotten hold of their sugar and speculated with it. I started to say that sugar is a staple; it is not like melons in the market or green corn that has to be sold within a day or two. It is not only staple but the lines of trade are marked out. Every one of these factories had its regular customers; they knew substantially what the customers were going to need, and the customers were ready to buy the sugar at a decent price; but they preferred to sell it to speculators, and they did sell it to speculators until the speculators boomed the market, and they moved right up with the speculative market and took the last dollar.

Mr. SMOOT. The Senator is mistaken.

Mr. REED. No; I am not mistaken. I had a client who was practically bankrupted by buying in the regular way from the house he had bought from for years. He was told that sugar was going above 28 cents a pound, and was induced to buy a large quantity. He operated a wholesale house that had existed for 60 years. He was buying from his regular dealer, who had moved his price up. Then, in 10 or 15 days, the bottom was pulled out of the price, and the same thing happened to him that happened, I will say, to hundreds and perhaps thousands of wholesalers in the country.

What does the Senator say about his sugar—that it can compete with sugar from abroad, or that it can not. If it can not compete with sugar from abroad, no matter who owns it or who runs it, then the whole American people are being taxed for the benefit of the Senator's sugar-beet patches. They are being denied the chance to get cane sugar from Cuba and Porto Rico and the Hawaiian Islands and Java and South America and all the other places where sugar is produced. All the people of the United States are being taxed for the benefit of a few sugar manufacturers in some of the Western States and a few gentlemen down South who raise sugar and ought to be raising something else. But you can not get any of these gentlemen to lift his eyes above the balance sheet that shows the profits for his own institution.

That is what this comes to. Each man is trying to get his share of pork out of the barrel. Each man's horizon is bounded by the interests of some particular locality of his State, and ultimately it is controlled by the desire to please people who have votes. And so we have the spectacle of the gentlemen from down in the Eastern States who say, "Behold how we love the common laboring man; our hearts are wrung with anguish every time we look at him. We must have a tariff on our manufactured goods to take care of oppressed labor." But generally he has just been in counsel with the proprietor of a trust engaged in extorting money from the people.

Let me just give you a little example.

The American Woolen Co., one of these beneficent institutions, has had written into this bill a 45-cent per pound duty upon woolen goods to compensate it for the 15 cents per pound duty levied on the raw wool; they not only get the duty upon the wool at 45 cents which they put into the garment, but as the bill is drawn they get the duty on the weight of the entire garment if the chief article of value is wool. Assuming an overcoat weighs 5 pounds, the tariff would be $2.25 if the chief article of value in that overcoat were wool. If the coat be largely shoddy, yet, if the chief article of value is wool, all the linings, all the cotton batting or wadding, all the buttons, and all the burlap will be protected the same as virgin wool. The coat may be 95 per cent cotton or shoddy; the duty protects the entire coat, and the farmer who buys that coat pays the tariff on the whole miserable thing.

By the way, the American Woolen Co. is the same concern that sent its secretary down here to Washington a few years ago and had him employed as the private secretary of the Finance Committee. He sent telegrams every night, sometimes four or five, reporting to his chiefs that he was making fine progress in getting their ideas and desires into the tariff bill, and finally wired them that he had gotten every one of their desires and demands into the bill. They thankfully received him on his return home, gave him a great banquet, and raised his salary. Of course, the gentlemen representing the State that has that institution in it are here to take care of it, because it is a local concern.

Now, let us see just a minute about this institution. Its net profits in 1919 were $15,513,000. Its surplus for that year was $12,029,000. Its total surplus in 1919 was $31,754,000. It controlled 55 woolen mills. It owns and operates the American Woolen Products Co., which is the exporting organization for the American Woolen Co. This concern that comes here demanding a protective tariff is exporting its goods abroad to-day. It is selling its goods in other countries for less than in the United States; otherwise it could not sell them, or otherwise, again, it would not need a tariff to protect it.

Mr. President, the gentlemen representing the places where those industries are located are here to tax the American people

for the benefit of those industries—always, however, in the name of the downtrodden workingman. And so it goes. We always understood what was being done to us in the West and the South by these laws. They told us they were only to protect infant industries; but now they inform us that an industry which existed when Adam was discovered by Eve in the Garden of Eden must be protected—this, too, in the most favored land on earth. They also say that we can protect that industry by barring out imports at the very time when the country is obliged to sell an immense part of its agricultural products abroad!

But, Mr. President, I must not forget, as I discuss this pork barrel, the gentleman who raises peanuts. There are some peanut patches in the United States; accordingly we must tax all the people of the United States who eat peanuts, in the vain hope that we will raise the price of peanuts in some sand patch down in some Southern State. The advocate of peanut protection solemnly protests that he only acts to protect the proud American peanut against the pauper peanuts of other countries. I sometimes think he really wants to protect a peanut politician at the polls.

Thus we go down the scale, each man grabbing a little, each man willing to sell his soul for the pottage that is so contemptible—the amount he gets for his people and his crowd—that the performance of old Esau, who swapped his birthright for a mess of pottage when he was hungry, appears respectable.

When we get through with all this taxing, then we will all be rich. We are going to raise the farmers' prices by taxing farm products, and thus the farmer will get rich. We are going to raise the price of woolen goods by taxing woolen goods, thus the woolen manufacturer will get rich; and that is true in his case. But at the same time all the working people under him who get just what they can exact and no more are going to get rich. We are to put a tariff on the products of miners of the West and make them all rich. We are going to levy a tax upon everything human desire may reach out for or produce, and everybody else will get rich. If that is a good philosophy, why do we not make the tariff a little higher and all get rich more quickly, and why do we not make it high enough eventually, producing wealth by decree of law, so that everybody can quit work?

Why not? If I could produce happiness and wealth by legislation, if I had the formula, I would make everybody happy and rich in the next 15 minutes, and I would keep them that way forever. The cold, bitter truth is that men are going about teaching that by these laws they will benefit all the people, when, as a matter of fact, they are merely trying to enable a few people who are their special favorites to rob the many people.

There never was a dollar produced in this world by the passage of a statute. If you could produce wealth by passing a law or issuing a decree, mankind would have been happy and contented thousands of years ago. Every dollar there is in the world was wrought out by human energy and skill. For every dollar somebody's brow has sweat, somebody's back has bent in toil, somebody has endured the agony of labor.

You may bar out the goods of foreign countries, and you may thereby enable some favored individual to extort some of the dollars the rest of the people earn. You may fatten monopoly, you may foster cupidity, you may feed avarice, you may enable one man to pick the pockets of the many men, but you can not create a single dollar of wealth by the enactment of a law. This miserable farce is to be enacted. The farmers are to be told that they will be enriched. In sober earnest, the apple of promise will change to ashes upon the lips.

I congratulate the great Republican Party. It comes into office with a flourish of trumpets, with unlimited votes, with the power, if it has the ability, to do something of a steadying character in this country which will allow trade to flow out again in its natural channels, enabling industry to have its shackles broken, and abnormal to be succeeded by normal conditions.

It has strength to do something to open trade and commerce with other countries. But the first thing it puts upon the boards is a farce, which the proponents of the farce themselves are ashamed of.

It hopes to succeed by fooling somebody, but it is too early to do that. If you were enacting this bill 10 days before the election, before anybody could find out about it, you might deceive the unwary, but this bill has to stand the test of three years before the next campaign comes on. In that time its absurdity will be demonstrated, its chicanery will be exposed, its deception will be laid bare, its false pretenses will be put upon the table, and the process of dissection will have been undertaken and completed. While you are doing this you are closing the markets of the world, which the Senator from New Jersey [Mr. EDGE] declared should be opened. Closing them? Let me be fair about that. You are keeping them closed, for they had been closed by a prior administration. I refer to the fact that right now the bill which would make complete peace with Germany and restore trade relations, making it possible to deal in the ordinary way, is being held up in the House of Representatives. I am told it is being held up under suggestion; but there it is, anyway, held up. Every day you delay opening the markets of Germany you place an embargo on American trade and you permit England and France and all the world to invade those markets, to sell their products there, to get gold for them, and to furnish labor for the employees in their respective lands. Why is that resolution not passed in the House of Representatives? The situation is significant. The reason for holding it up will ultimately be known and the name of the one responsible for the delay will also be known.

Why are we not trading with Russia? There is a domain nearly four times as large as the United States, with 180,000,000 people residing within its borders. They have never been at war with the United States, although some of our soldiers were unjustly and illegally sent there to make war upon them. Then they were withdrawn.

We have assisted in supporting three or four attempted governments in Russia out of the funds of this Government, which in part we paid out illegally; but the Government which exists there now seems to be able to maintain itself. Speaking for myself, many of the principles of that Government are utterly abhorrent to me. But so are the principles of the Turkish Government, of the Japanese Government, of the Chinese Government, and of the governments of many other countries. I agree absolutely with none of them; I disagree in various degrees from them. But we trade with them.

I said the other day, and I repeat, we traded with the redskins of the forest; we trade with Hottentots and cannibals. Indeed, we set up a government on the coast of a cannibal country, and we paid the expenses of the delegates from that enlightened country to the world's peace convention. We do not believe in the Chinese religion or the Chinese form of government; yet our Government gave its sanction to an arrangement between the capitalists of this and several other Governments to finance vast operations in China.

We do not believe in the kind of a government they have in Santo Domingo. So little do we believe in it that we send marines down there to enforce a kind of order; yet we trade with those people. We do not believe that the Turk is living according to a high moral code when he establishes a harem, or when he cuts the throats of Armenians; but we trade with him. And as we trade, he rattles a scimitar by his side. Such a character has been described as—

> One who could pause and kneel, unshod,
> In the warm blood his hand had poured,
> To mutter o'er some text to God
> Engraven on his reeking sword.

But we trade with him.

Here lies this great country of Russia, with 180,000,000 people, with unparalleled and unexampled resources, a people struggling from the darkness of the night of tyranny on through the twilight, where they are blundering and making mistakes, sometimes doing very wrong things, but still stumbling on, I hope, to the sunlit plains of liberty and progress.

And as they go we say, "We will not trade with you." They answer, "We have gold to pay; let us have agricultural implements to till the soil." We reply, "We will not trade with you. Continue in your poverty. Let the people still starve. There are no tears in our eyes for starving children if they are on your side of the line on the map, but if they are on the other side we will not only trade with the parents, but we will feed the children out of our beneficence." Yet are they not all alike the children of God. Each has a nerve that feels the sting of pain; each has a soul to save, a heart to break.

We close the doors of American factories in the face of American workmen in order to close the door of hope to the Russian, and we call that statesmanship. Then we pass a bill like this thing for the benefit of farmers. Nothing could benefit the farmer of this country more than to have every factory humming, to have our ships carrying our surplus to other lands. How much of wheat and corn does Russia need to-day? I do not know, but if half the things we are told be true, then she needs many of our cereals. How much of our beef does she need to feed her people? How much of our pork does she need? If she had a market there and gold was sent here, that would stiffen our market in a way that would be material and vastly beneficial. While we thus deny ourselves the right

to trade, Great Britain, who has led us into an attack upon Russia, has made her trade compact. The evangelists of British trade are thronging over every highway of Russia to extend Great Britain's path of commerce.

If this administration, following in the footsteps of the former, and more culpable than the former because we are further from war, is to continue such policies as I have adverted to, denying a market for American skill and energy, for American products, both of the farm and the loom, then we shall see a time of real hardship and disaster for the Republic. Against it, sir, I protest. Against this policy of commercial isolation and this scheme of pocket-picking I protest. The American people will some day have their hour of reckoning. You can not successfully put a fraud upon the American people.

WHEAT.

(Free.)

[Taken from the Statistical Abstract, 1919, pp. 428-429. Figures given in thousands of bushels.]

Year.	Amount produced.	Exports of domestics.	Imports.	Annual average price per bushel.
1914	736,380	173,861	1,714	$0.86
1915	891,017	205,925	1,152	1.128
1916	1,025,801	154,049	5,571	1.521
1917	636,318	106,196	21,783	2.011
1918	636,655	111,177	7,135	2.036
1919	921,438	148,886	2,110	2.147
1920	934,265	218,280	1,756	2.236
1921[1]:				
January		21,344	1,104	[2]1.492
February		18,466	4,603	[2]1.493
March		14,599	5,871	[2]1.473
April				[2]1.335

	Exports.	Imports.
Totals for January, February, and March, 1921	54,411 4	11,578 4
Estimated totals for 1921	217,644 46,312	46,312
Balance in favor of exports as estimated for 1921	171,332	

[1] Estimated crop year. [2] On the 1st of the month.

Imports in 1918, 2⅜ per cent of our production in that year.
Imports in 1919, four-fifths of 1 per cent of our production in that year.
Imports in 1920, 4 per cent of our production in that year.
Figuring the 1921 imports as four times the imports for first three months, our imports for 1921 would be 6 per cent of our estimated production, exports 28 per cent.

CORN.

(Free.)

[Taken from the Statistical Abstract, 1919, pp. 543, [illegible]. Figures given in thousands of bushels.]

Calendar year.	Amount produced.	Exports of domestics.	Imports.	Annual average price per bushel.
1914	2,446,988	15,626	1,821	$0.72
1915	2,672,804	48,263	1,499	.71
1916	2,994,793	53,548	1,215	.75
1917	2,566,927	52,167	1,564	1.41
1918	3,065,233	39,899	990	1.51
1919	2,502,665	11,192	2,212	1.58
1920	2,858,590	17,761	1,744	1.44
1921:				
January		5,535	8	.667
February		8,144	0	
March		13,372	7	

	Exports.	Imports.
Totals for January, February, and March, 1921	27,051 4	18 4
Estimated totals for 1921	107,549 72	72
Balance in favor of exports as estimated for 1921	107,477	

Imports in 1919 two-fifths of 1 per cent of production for 1919.
Imports in 1920 one-fifth of 1 per cent of production for 1920.
Figuring the 1921 imports as four times the imports for first three months, our imports for 1921 would be two one-thousandths of 1 per cent of production for 1921.

COTTON.

(Free.)

[Taken from the Statistical Abstract, 1919, pp. 437, 474, 546, and 574, and Monthly Summary Foreign Commerce, pp. 13 and 39. Figures in thousands of 500-pound bales.]

Year.	Amount produced year ending July 31.	Exports of domestics, calendar year.	Imports, calendar year.	Price per pound.
1914	14,156	6,320	317	$0.125
1915	16,134	8,358	405	.073
1916	11,191	7,029	384	.112
1917	11,449	4,818	277	.173
1918	11,392	4,112	225	.271
1919	12,040	6,557	350	.288
1920	11,420	6,159	600	.307
1921	13,365			
January		605	24	[1].115
February		493	28	[1].118
March		375	27	[1].103
April				[1].094

	Exports.	Imports.
Total for January, February, and March, 1921	1,473 4	79 4
Estimated total for 1921	5,892 316	316
Balance in favor of exports as estimated for 1921	5,576	

[1] On the first of the month.

Imports in 1919 1⅜ per cent of our production for that year.
Imports in 1920 6⅜ per cent of our production for that year.
Figuring the 1921 imports as four times the imports for first three months, our imports for 1921 would be 2⅝ per cent of production for 1921.

MEAT AND DAIRY PRODUCTS.

(Free.)

[Taken from the Statistical Abstract, 1919, pp. 451 and 489, and from the Monthly Summary Foreign Commerce United States, pp. 21-54. Figures in thousands of dollars.]

Year.	Exports.	Imports.
1914	$141,474	$51,629
1915	279,663	29,279
1916	315,568	22,003
1917	437,449	27,539
1918	941,218	61,905
1919	1,160,643	37,368
1920	544,074	64,272
1921:		
January	45,774	5,248
February	36,330	2,877
March	31,589	3,552
Total for January, February, and March, 1921	113,993 4	11,677 4
Estimated total for 1921	455,972 46,708	46,708
Balance in favor of exports as estimated for 1921	409,264	

TOBACCO.

(Dutiable.)

[Taken from Statistical Abstract, 1919, p. 561, and Annual Report Department of Agriculture, 1920, p. 7, Monthly Summary pp. 27 and 60. Figures given in thousands of pounds.]

Year.	Amount produced.	Exports of domestic leaf (calendar year).	Imports of leaf (calendar year).	Price per pound (average export).
1914	1,034,679	345,922	57,407	$0.12
1915	1,062,237	428,297	41,304	.12
1916	1,153,278	477,408	49,473	.12
1917	1,249,276	251,292	57,960	.14
1918	1,439,071	403,871	83,514	.24
1919	1,454,725	765,913	85,985	.30
1920	1,508,064	467,679	82,221	.52
1921:				
January		46,851	4,805	.45
February		41,743	7,653	48
March		45,444	3,847	
April				

TOBACCO—continued.

	Exports.	Imports.
Totals for January, February, and March, 1921	134,038	16,305
	4	4
Estimated totals for 1921	536,152	65,220
	65,220	
Balance in favor of exports as estimated for 1921	470,932	

Imports in 1919, 5/10 per cent of production of that year.
Imports in 1920, 5½ per cent of production of that year.
Assuming imports for 1921 to be four times the imports for the first three months of 1921, imports for 1921 will be 4/10 per cent of production for 1920.

RICE.

(Dutiable.)

[Taken from Statistical Abstract, 1919, pp. 152 and 566. Figures given in thousand of pounds.]

Year.	Amount produced.	Exports of domestics.	Imports.	Price per pound.
1914	1,018,950	50,284	225,064	$0.05
1915	1,736,820	67,592	290,144	.04
1916	2,451,360	130,937	248,824	.04
1917	2,084,340	207,538	298,980	.07
1918	2,316,360	167,932	558,047	.08
1919	2,567,400	376,375	174,596	.12
1920	3,222,600	392,612	142,951	
1921:				
January		39,902	7,463	[1].08
February		39,032	5,373	[1].065
March		45,579	5,153	[1].065
April				[1].065
May				[1].05

	Exports.	Imports.
Totals for January, February, and March, 1921	124,513	17,989
	4	4
Estimated totals for 1921	498,052	71,956
	71,956	
Balance in favor of exports as estimated for 1921	426,096	

[1] On the 1st of the month.

Imports in 1919, 7 per cent of production for that year.
Imports in 1920, 4 per cent of production for that year.
Assuming imports for 1921 to be four times imports for first three months of 1921, imports for 1921 will be 1½ per cent of our production for 1920.

SHEEP.

(Free.)

[Taken from Statistical Abstract, 1919, pp. 566 and 785. Figures given in thousands of numbers.]

Year.	Number on farms Jan. 1.	Exports of domestics (number), calendar year.	Imports, calendar year.	Price per cwt.
1914	49,719	78	200	$4.79
1915	49,955	41	277	5.27
1916	48,625	55	126	6.48
1917	47,616	30	203	9.50
1918	48,693	7	150	10.94
1919	48,866	34	22	9.58
1920	47,114	48	172	8.43
1921	45,067			
January		5	4	[1]5.30
February		8	(2)	[1]5.01
March		4	1	[1]5.27

	Exports.	Imports.
Totals for January, February, and March, 1921	17	6
	4	4
Estimated totals for 1921	68	24
	24	
Balance in favor of exports as estimated for 1921	41	

[1] Price on the 15th. [2] Less than 1,000.

Imports in 1918 three-tenths of 1 per cent of estimated number on farms for that year.
Imports in 1919 one twenty-fifth of 1 per cent of estimated number on farm for that year.
Imports in 1920 one-third of 1 per cent of estimated number on farm for that year.
Imports of sheep for 1921, if taken as four times the imports for the first three months of the year, will be one one-thousandth of 1 per cent of number as estimated on farms, 1921.

POTATOES.

Practically all imported free.

[Taken from Statistical Abstract, 1919, pp. 145 and 574. Figures given in thousands of bushels.]

Year.	Amount produced.	Exports of domestics, calendar year.	Imports.	Price per bushel.
1914	409,921	2,715	800	$0.69
1915	359,721	3,900	236	.51
1916	286,953	2,230	886	1.02
1917	442,108	2,423	3,182	1.99
1918	411,860	3,353	1,201	1.15
1919	355,773	3,642	5,544	1.39
1920	430,458	4,153	6,062	2.49
1921:				
January		571	(1)	[2]1.05
February		304	(1)	[2].95
March		221	(1)	[2].84
April			(1)	[2].77

[1] Practically no imports. [2] Prices 1st of the month.

Imports for 1918, ¼ of 1 per cent of our production for that year.
Imports for 1919, 1¼ per cent of our production for that year.
Imports for 1920, 1½ per cent of our production for that year.

APPLES.

(Dutiable.)

[Taken from Statistical Abstract, 1919, p. 574; Annual Report Department of Agriculture, 1920, p. 7; Monthly Summary, p. 41. Figures given in thousands of bushels.]

Year.	Amount produced.	Exports of domestic, ripe, calendar year.	Imports.	Price per bushel.
		Barrels.		
1914	253,200	1,541	(1)	$0.99
1915	76,667	2,177	(1)	.73
1916	204,582	1,671	(1)	.90
1917	163,107	958	(1)	1.19
1918	169,911	579	(1)	1.49
1919	117,457	1,712	(1)	1.85
1920	236,187	1,797	(1)	2.07
1921:				
January		591		[2]1.18
February		381		[2]1.28
March		289		[2]1.30
April				[2]1.31

Practically no imports. [2] Prices 15th of the month.

VEGETABLE OILS.

Taken from Statistical Abstract, 1919, p. 262, and Monthly Summary, pp. 22-56. Figures given in thousands.]

Year.	Amount produced (pounds).	Exports of domestic, calendar year.	Imports calendar year.
1914	2,455,362	$16,898	$27,442
1915		30,106	23,791
1916	2,318,866	25,070	49,824
1917	2,259,098	24,391	67,971
1918	2,308,685	29,418	110,855
1919		100,350	129,971
1920		59,003	113,313

BUTTER.

(Dutiable.)

[Taken from the Statistical Abstract, 1919, pp. 489 and 452, and Monthly Summary, 1920, pp. 21 and 54. Figures in thousands.]

Year.	Exports of domestics, calendar year.	Imports, calendar year.	Price per pound.
	Pounds.	*Pounds.*	
1914	3,687	7,200	$0.25
1915	17,942	1,544	.25
1916	26,561	676	.27
1917	7,192	1,307	.35
1918	26,194	1,655	.43
1919	34,556	9,519	.51
1920	17,487	37,454	.55
1921:			
January	(1)	3	.49
February	(1)	1	.45
March	(1)	4	.42
April			.40

[1] Less than 1,000.

CHEESE.

(Dutiable.)

[Taken from Statistical Abstract, 1919, p. 561, and Monthly Summary, 1920, pp. 21 and 55. Figures in thousands.]

Year.	Exports of domestic, calendar year.	Imports, calendar year.	Average export price per pound.
	Pounds.	*Pounds.*	
1914	3,7	55,477	$0.17
1915	62,9	38,919	.15
1916	54,9	28,515	.16
1917	55,5	6,332	.23
1918	48,4	7,562	.24
1919	14,7	11,332	.30
1920	16,2	15,993	.29
1921:			
January		1	.26
February	(1)	1	.27
March	(1)	1	.26

[1] Less than 1,000.

FLAXSEED.

(Dutiable.)

[Taken from the Statistical Abstract, 1919, pp. 553 [illegible]4. Figures given in thousands of bushels.]

Year.	Amount produced.	Exports of domestic	Imports.	Price per bushel.
1914	17,853	[illegible]	8,653	$1.31
1915	13,749		10,666	1.56
1916	14,030		14,679	1.98
1917	14,296		12,393	2.80
1918	9,164		13,366	3.57
1919	13,369		8,426	4.01
1920	7,661		23,391	3.52
1921	10,990			
January		(2)	386	[1] 1.63
February		(2)	341	[1] 1.56
March		(2)	903	[1] 1.50
April				[1] 1.42

[1] Price 1st of the month. [2] Prac[illegible]y to exports.

BEANS.

(Dutiable.)

[Taken from the Statistical Abstract, 1919, pp. [illegible]-598, and Monthly Summary Foreign Commerce, 1920. Figures in [illegible]nds of bushels.]

Year.	Production (for 6 States).	Export of domestic	Imports.	Price per bushel Dec. 1.
1914	875			$2.26
1915	928			2.59
1916	1,107			5.10
1917	1,821			6.50
1918	1,744	2,2[illegible]	4,209	5.28
1919	1,018	3,7[illegible]	4,972	4.28
1920		1,7[illegible]	2,094	2.99
1921:				
January		15[illegible]	36	[1] 2.95
February		12[illegible]	30	[1] 2.85
March		13[illegible]	52	[1] 2.89

[1] Price on the 15th of the month.

CATTLE.

(Free list.)

[Taken from Statistical Abstract, 1919, pp. 784 a[illegible]. Figures given in thousands of numbers.]

Year.	Number on farm.	Exports of domestic, calendar year.	Imports, calendar year.	Price per hundredweight, calendar year.
1914	56,592	9	728	$6.24
1915	58,329	16	552	5.50
1916	61,920	12	296	6.44
1917	64,583	21	348	8.14
1918	67,422	21	352	9.41
1919	68,560	63	642	9.71
1920	68,369	85	379	8.45
1921:				
January		6	17	[1] 6.32
February		7	8	[1] 6.02
March		11	11	[1] 6.36

CATTLE—continued.

	Exports.	Impo[illegible]
Totals for January, February, and March, 1921	24	
	4	
Estimated totals for 1921	96	
Balance in favor of imports as estimated for 1921		

[1] Prices on the 15th of the month.

Imports of cattle for 1919 were nine-tenths of 1 per cent of nu[illegible] on farms for that year.

Imports of cattle for 1920 were nine-tenths of 1 per cent of nu[illegible] on farms for that year.

Figuring the 1921 imports as four times the imports for the three months, our imports for 1921 would be one-fifth of 1 per ce[illegible] estimated number on farms for 1920.

ONIONS.

(Dutiable.)

[Taken from Statistical Abstract, 1919, pp. 153 and 575. Figures [illegible] in thousands of bushels.]

Year.	Amount produced (22 States).	Exports of domestic, calendar year.	Imports, calendar year.	Price bush[illegible]
1914		618	771	
1915		596	807	
1916		480	939	
1917		483	1,724	
1918	19,336	692	261	
1919	11,398	816	740	
1920	11,920	945	1,819	
1921:				
January		93	20	[illegible]
February		118	18	[illegible]
March		56	41	[illegible]

[1] Prices on the 15th of the month.

OLIVES (PRESENT TARIFF 15 CENTS PER GALLON).

Imports (calendar year).

[Taken from the Monthly Summary Foreign Commerce, 1920, p.

	Thous[illegible] of gall
1914	5.
1915	3.
1916	6.
1917	4.
1918	[illegible]
1919	3.
1920	4.

MILK.

(Free.)

[Taken from Statistical Abstract, 1919, p. 575, and Monthly Summ[illegible] 1920, pp. 21 and 55. Figures in thousands of pounds.]

Year.	Exports of domestics (condensed only).	Imports.[1]	Price per gal[illegible]
	Pounds.	*Pounds.*	
1914	22,831	(2)	[illegible]
1915	75,689	(2)	
1916	219,686	(2)	
1917	428,575	(2)	
1918	551,139	12,254	
1919	952,865	20,194	
1920	414,250	27,873	
1921:			
January	30		
February	22	1	
March	28	1	

[1] Includes fresh and condensed. [2] Not reported.

SUGAR.

(Dutiable.)

[Taken from the Statistical Abstract, 1919, pp. 544, 545, and [illegible] Figures given in thousands of pounds.]

Year ending June 30—	Amount produced.	Exports of domestic.	Imports.	Granul[illegible] (price [illegible] pound
1914	3,940,628	90,862	4,950,028	$0.[illegible]
1915	4,133,975	601,103	5,094,101	[illegible]
1916	4,229,794	1,685,195	5,415,763	[illegible]
1917	4,670,988	1,298,306	5,064,805	[illegible]

SUGAR—continued.

Year ending June 30—	Amount produced.	Exports of domestic.	Imports.	Granulated (price per pound).
1918	3,949,558	588,521	4,729,691	$0.0783
1919	4,220,527	1,055,126	5,625,061	.0900
1920	3,634,047	1,065,126	7,550,061	.0989
1921:				
January		37,306	254,505	1.0795
February		39,206	595,814	1.0750
March		25,598	821,904	1.0775
April				1.0800
May				1.0650

	Exports.	Imports.
Totals for January, February, and March, 1921	122,110 4	1,672,223 4
Estimated totals for 1921	488,440	6,688,892 488,440
Balance in favor of imports as estimated for 1921		6,200,452

[1] On the 1st of the month.

WOOL.

(Free list.)

[Taken from the Statistical Abstract, 1919, pp. 502 and 574–575. Figures given in thousands of pounds.]

Year ending June 30—	Amount produced year ending Sept. 30.	Exports of domestic, calendar year.	Imports, calendar year.	Price wool (unwashed), per pound.
1914	290,192		206,164	$0.175
1915	285,726		442,721	.225
1916	288,490	3,918	449,189	.276
1917	291,892	1,827	420,994	.472
1918	298,870	406	453,727	.578
1919	313,638	2,839	445,892	.527
1920	302,207	9,066	259,617	.381
1921:				
January		359	21,169	.1936
February		69	42,885	.1908
March		104	98,103	.1890

	Exports.	Imports.
Total for January, February, and March, 1921	532 4	162,157 4
Estimated totals for 1921	2,128	648,628 2,128
Balance in favor of imports as estimated for 1921		646,500

Imports of wool in 1918 were practically 50 per cent more than our production for that year.

Imports of wool in 1919 were practically 42 per cent more than our production for that year.

Imports of wool in 1920 were practically 85 per cent of our production for that year.

If imports of wool for 1921 can be considered as four times those for the first three months, our imports for 1921 would be practically twice our production as of 1920.

PEANUTS.

(Dutiable.)

[Taken from the Statistical Abstract, 1919, pp. 152 and 575. Figures given in thousands of bushels.]

Year.	Amount produced.	Exports of domestic.	Imports.	Price per pound.
1914				$0.048
1915				.045
1916	34,433			.045
1917	52,505			.065
1918	46,010	12,379	68,000	.074
1919	33,925	19,778	30,000	.077
1920	35,960	9,366	119,000	.090
1921:				
January		1,074	1,600	1.044
February		1,429	2,325	1.041
March		1,570	4,700	1.040

[1] Prices on 15th of the month.

SPEECH

OF

HON. FLORIAN LAMPERT,

OF WISCONSIN,

IN THE HOUSE OF REPRESENTATIVES,

Monday, July 25, 1921.

Mr. LAMPERT. Mr. Speaker, in revising our tax laws there is one class above all others whose economic interest we must not only be careful to protect, but whose condition we must earnestly endeavor to improve. That class is the American farmer. I say this not because I believe in giving the farmer a special advantage not enjoyed by any other class, but because in all past legislation he has always been the chief "goat" of greed and plunder. Practically every tax law heretofore enacted seems to have been drawn with the express purpose in view of taking out of the farmer's pocket all that his patient and long-suffering soul can possibly bear; or to put the same thought in other words, of "plucking the most feathers with the least amount of squawking." This even now, I am sorry to say, is the very object of those "patriotic" gentlemen among us who are lying awake nights straining every effort to find some way to "put over" a general sales or turnover tax which would relieve the wealthy and put a still heavier burden on everything that the common people of this country eat, drink, and wear.

The time has come, Mr. Speaker, when such unwise, unjust, and un-American methods of raising revenue must be stopped. The purchasing power of the working classes, and of the farmer in particular, has already fallen to a point that is dangerous in the extreme, and if it is forced still lower by unfair and injurious methods of taxation the result will be nothing short of industrial and commercial disaster. If we want to continue to enjoy the blessings of abundance and peace the present process will have to be reversed. Taxes will have to be lowered on the working farmers of the country, not raised, and a greater share placed on "unearned incomes," on owners of large inheritances and estates, and especially on the possessors of the immensely valuable monopolies and special privileges of our Nation.

I have given a great deal of study lately to the vexatious tax problems confronting Congress. I have tried to approach every suggestion offered with an open mind and to examine it impartially and with care. I frankly confess, however, that I have found no satisfactory solution to the problem except that offered by my distinguished colleague from Minnesota, Mr. OSCAR KELLER. In his tax program I see not a program such as the vicious sales-tax program, which will inevitably pile a still heavier load of taxes on the already overloaded agricultural population of the country but a program which will do more to relieve the agricultural class of this load than any other program ever before introduced into the House of Representatives.

THE KELLER FEDERAL REVENUE PROGRAM.

Mr. KELLER, as you know, has introduced four revenue bills—the first bill (H. R. 6767) repealing all taxes on production and consumption except those on tobacco, alcohol, oleomargarine, and the products of child labor; the second bill (H. R. 6769) amending the income tax so as to distinguish between "earned" and "unearned" income; the third bill (H. R. 6768) increasing drastically the inheritance tax; and the fourth bill (H. R. 6773) placing a tax of 1 per cent on the privilege of owning lands and natural resources worth, after deducting all improvements, over $10,000, but with further allowances and deductions so as purposely to exempt the man who tills the soil.

I now want to go into detail and show you the great and far-reaching benefits that will accrue to the farmers of our country if these four revenue bills of Mr. KELLER's are passed.

UNTAXES THE CONSUMER.

Take the first bill—H. R. 6767. This bill, as I have said before, repeals all taxes on production and articles for consumption except those on tobacco, alcohol, oleomargarine, and the products of child labor.

These taxes should have been repealed long ago; in fact, they should never have been levied in the first place. They are bad from beginning to end. As one economist has well said, "They were conceived in iniquity and born in sin." Their only effect has been to hamper production, to penalize industry, to strangle commerce and trade, and to add a much higher price to everything the consumer buys.

Every time you have placed a tax on food products you have increased by so much the price of food; every time you have placed a tax on clothing you have increased the price of clothing; every time you have placed a tax on transportation,